



California Workforce Investment Board

California's Strategic Plan

For Title I of the Workforce Investment Act of 1998
and the Wagner-Peyser Act

July 1, 2009 – June 30, 2010

Acknowledgements

The staff and members the California Workforce Investment Board would like to express their gratitude to all of the contributors, State agencies and departments, education, regional and local workforce development agencies, and other workforce entities, for their efforts in crafting this State Plan.

Special thanks to the California Labor and Workforce Development Agency for its leadership and guidance and for providing the tools and resources to ensure the Governor's workforce priorities for California's workers are carried out.

The contributions of the Employment Development Department, Labor Market Information Division (LMID) were vital to this planning effort. The data presented in the State Plan regarding industry trends and related employment opportunities is the direct result of LMID's work. The professionals at LMID recognize the instability of the economy – both national and in California – therefore, caution that some of the data may not seem to reflect what is occurring in a particular region at this point in time. Data reported in this document reflect long term projections which may not yet reflect the effects of California's most recent economic downturn.

State Plan Modifications by Section

Plan Section	Page	Modification
Plan Development Process		Discussion of collaborative planning process.
I.	10-12	Updated Vision includes ARRA, sector strategies and industry clusters
II.	16-16	Includes legislative and administrative strategies for actualizing the Governor's Vision.
III. A.	17-18	Interagency boards, committees and council provide opportunities for added cooperation.
III. B. 1. & 2.	19-20	Addition of the Workforce Training Act and the Green Collar Jobs Act, changes to Special Committees.
III. B. 5.	21	Board responsibilities include convening the Green Collar Jobs Council and championing regional sector strategies and industry clusters methodology.
III. C. 1.	24	Minor text edits
III. C. 4.	26-27	Includes more partners and the California Child Welfare Council
IV. A.-J.	29-65	Updated economic and labor market analysis
V. A.	66	Noted 3 SFPs
V. B.	67	Added Workforce Training Act and the Green Collar Jobs Act.
V. D.	70-71	Added GCJC and other partnerships
V. F.	72-73	Included collaborations with the State's Office of the Small Business Advocate.
V. G.	73-74	Included Gang Reduction Initiative and the Green Job Corps
V. H.	74-75	Expands on Project New Start, Career Technical Education efforts and the Green Collar Jobs Council's commitment to promoting youth access to career pathways.
V. J.	76	References waivers now located in Attachment C
VI. B.	77	Included Integrated Service Delivery Model
VI. C.	78-82	Began a pilot program for the Integrated Service Delivery Model
VII. C.	84	Updated One-Stop Cost Study
VIII. A. 1. & 2.	87	Discusses the change in Local Areas from 50 to 49.
VIII. G. 5	95	Added electronic Q & A process to California's SFP procedures
VIII. H. 1	97	Added integrated service delivery
VIII. I.	99-100	Updated cost study information, added EEO responsibilities
VIII. K. 1.	101	Changed from 50 local areas to 49.
VIII. K. 6. & 7	103	Updated directive references
IX. A.	105-9	Added Integrated Service Delivery Model and references ARRA
IX. B.	109	Incorporated Industry Clusters of Opportunity Methodology
IX. C.	111-2	Included Integrated Service Delivery Model and the influence of ARRA funds
IX. C. 3. a.	114-5	Investment in regional sector strategies initiatives
IX.C.3.b	116	Added ARRA references and partnership with postsecondary institutions
IX. C. 3. d.	117	Updated waiver amounts for formula funds
IX. C. 4. a.	118-120	Adoption of special committee work, veterans service changes, and ARRA summer youth programs.

Plan Section	Page	Modification
IX. C. 4. b. & c.	120-1	Updated employment claims procedures
IX. C. 4. d.	122	References TGAAAA and ARRA
IX. C. 5. b.	127	State will issue additional guidance regarding the veterans' services
IX. D.	124	Strategies for cross-agency collaboration and youth initiatives
X. C. 5.	144	Added legislative changes and references ARRA
Attachment A	149	Updated designated signatures
Attachment B	151	Revised acronyms
Attachment C	152-3	Updated waivers
Attachment D	154-6	Revised Board membership
Attachment E	157	Updated local workforce investment areas

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Plan Development Process

Describe in one page or less the process for developing the State Plan

1. ***Include (a) a discussion of the involvement of the governor and the State Board in the development of the Plan, and (b) a description of the manner in which the State Board collaborated with economic development, education, the business community and other interested parties in the development of the State Plan ((§112(b)(1).)***
2. ***Include a description of the process the State used to make the Plan available to the public and the outcome of the State's review of the resulting public comments ((§§111(g),112(b)(9).)***

The California Workforce Investment Board (State Board)¹ initiated an inclusive public process in 2005 to support the development of California's Strategic Two-Year Plan (State Plan). In early 2007, the State Board approved a two-phase process for the revision of the State Plan and the development of a new strategic workforce plan for California as required in The Workforce Training Act (Senate Bill (SB) 293 Statutes of 2006, Chapter 630). The State Board views strategic workforce planning as an ongoing process.

Over the course of the last two years, the State Board has maintained its commitment to the broader strategic workforce planning initiated by SB 293. In late 2007 and continuing through 2008, the State Board engaged regional and local leaders in a dialogue about effective local and regional workforce development models. Included in this effort were professionals from local workforce investment boards, representatives from all levels of the education system, economic development professionals, private business leaders, union representatives, and chambers of commerce. As these dialogues continued, a common theme emerged. The importance of workforce system leaders having a broad understanding of California's economy, a detailed view of their regional and local economic climate and the need for cross-institutional access to specific economic information that allows leaders to think, plan, invest and develop strategically was crucial.

After reviewing innovative practices and evaluating the building work of the State Board in partnership with California's Economic Strategy Panel, Sector Strategies were adopted as a guiding workforce framework in September of 2008. Soon after this, the Governor signed into law the Green Collar Jobs Act, placing the State Board in charge of convening the Green Collar Jobs Council and launching its first sector based initiative focusing on the Green and Clean Economy.

Together, the State plan and the sector strategies framework adopted under SB 293 serve as the touchstone for workforce policy development, fiscal investments, and the operation of workforce programs in the State of California. As these two planning processes converge, the State Board continues to capitalize on its opportunity to be the catalyst for developing a new workforce system vision and strategies that follow the direction and leadership the Governor, Arnold Schwarzenegger, has provided since assuming office.

¹ See Attachment B for a glossary of acronyms and abbreviations.

The 2009 revised State Plan, once modified, was released for a two-week public comment period in May, 2009. Comments were incorporated in the revised plan as necessary and appropriate, and identified for the State Board at its June 17, 2009 meeting. The 2009 revised State Plan was approved by the State Board at that meeting, and submitted to the Governor for his approval.

State Plan Content

I. STATE VISION

Describe the Governor's vision for a statewide workforce investment system. Provide a summary articulating the Governor's vision for utilizing the resources of the public workforce system in support of the State's economic development that address the issues and questions below. States are encouraged to attach more detailed documents to expand upon any aspect of the summary response if available. (§112(a) and (b)(4)(A-C).)

- A. *What are the State's economic development goals for attracting, retaining and growing business and industry within the State? (§112(a) and (b)(4)(A-C).)***
- B. *Given that a skilled workforce is a key to the economic success of every business, what is the Governor's vision for maximizing and leveraging the broad array of Federal and State resources available for workforce investment flowing through the State's cabinet agencies and/or education agencies in order to ensure a skilled workforce for the State's business and industry? (§112(a) and (b)(4)(A-C).)***
- C. *Given the continuously changing skill needs that business and industry have as a result of innovation and new technology, what is the Governor's vision for ensuring a continuum of education and training opportunities that support a skilled workforce? (§112(a) and (b)(4)(A-C).)***
- D. *What is the Governor's vision for bringing together the key players in workforce development including business and industry, economic development, education, and the workforce investment system to continuously identify the workforce challenges facing the State and to develop innovative strategies and solutions that effectively leverage resources to address those challenges? (§112(b)(10).)***
- E. *What is the Governor's vision for ensuring that every youth has the opportunity for developing and achieving career goals through education and workforce training, including the youth most in need of assistance, such as out-of-school youth, homeless youth, youth in foster care, youth aging out of foster care, youth offenders, children of incarcerated parents, migrant and seasonal farmworker youth, youth with disabilities and other youth at risk? (§112 (b)(18)(A).)***

California's entrepreneurial, innovation-based businesses require a world-class workforce in order to grow and thrive. In recognition of this, Governor Arnold Schwarzenegger's vision is that the State's broad system of public workforce programs prepare future and current workers for the new economy in order to create stable, reliable, higher-wage jobs that will assist in improving the quality of life for all Californians and their communities. To achieve this, California's statewide, locally-based workforce investment system must continuously prepare the State's available and future workers for careers in the industries and sectors that are most vital to the State's economic health and growth. This can only be achieved if the business-led State Board and Local Workforce Investment Boards (Local Board) continuously improve at:

- Understanding and meeting the workforce needs of business, industry, and regional economies;
- Targeting resources where the most economic impact can be gained;

- Collaborating to improve California's educational system at all levels in order to equip youth and lifelong learners with the skills they need to be successful in the workplace; and
- Maximizing the accountability of public and private resources invested in workforce development.

Understanding and Meeting the Workforce Needs of Business, Industry, and Regional Economies

In order to prepare available and future workers with required skill sets, workforce, education, and economic development entities must develop stronger partnerships and more effective communication with business and industry. Developing talent for local and regional economies can ensure that California's workforce investment system will:

- Be demand driven within the context of California's regional economies;
- Eliminate duplicative administrative costs and services across workforce and economic development regions;
- Enhance service integration through local One-Stop Career Center systems that focus on services rather than programs;
- Continue to improve workforce information systems for strategic planning and career guidance;
- Partner more effectively with faith-based and community-based organizations;
- Take full advantage of federal waiver flexibility²; and
- Use and integrate enhanced performance accountability across programs.

Targeting Limited Resources to Areas Where They Can Have the Greatest Economic Impact:

Central to Governor Schwarzenegger's vision are his funding priorities:

- Invest in high-wage, high-growth jobs;
- Advance workers with barriers to employment; and
- Support industry sectors experiencing statewide shortages of workers.

With increased investment under these funding priorities, California will attract additional innovative employers with high-skill jobs offering good wages, such as Biotech and Advanced Transportation firms. For existing industries, the statewide workforce system will be better equipped to respond to worker shortages in critical industries such as those being experienced in healthcare. California will also serve its emerging talent – persons with disabilities, language barriers, and those with other significant barriers to employment and career advancement – increasing the number of workers able to realize the American dream of success. This Administration has made significant investments to leverage and target youth program investments for those most in need, most notably through its support of the California Gang Reduction and Intervention Project, and recently, the California Green Jobs Corps.

In light of the recent economic downturn, the Governor intends to invest much of the American Recovery and Reinvestment Act (ARRA) workforce funding in building skills in industries that are currently growing

² For a list of California's current waivers see Attachment C.

such as health care and allied health, and in green jobs such as energy efficiency and alternative energy. Moreover, Governor Schwarzenegger will use the ARRA funds to expand California's capacity to assist those most impacted by the current recession.

California's investment in the emerging workforce needs associated with its budding "green" economy addresses all three funding priorities. A green collar workforce will reach across socio-economic boundaries, individuals with barriers to employment, youth, and various businesses and industries throughout the State. Also bolstering this effort is the opportunity to leverage additional ARRA funding received by various State Agencies for investment in weatherization, infrastructure, and public utilities projects. These projects will require a skilled workforce and allow the workforce system to engage with new partners as jobs are created helping to mitigate the effects of recent lay-offs, and expand training for workers in high-wage, high-growth occupations.

Collaborating to Improve California's Educational System at All Levels

A flexible, outcomes-based education system, from kindergarten through graduate studies, is vital to providing both youth and adults with the lifelong learning opportunities recognized as necessary in the new and changing economy. The Governor and the State Board are partnering more closely with education in order to ensure educational pathways in California's learning institutions are aligned with the occupational opportunities available in its economy. For example, the State Board established an agreement with the Department of Education Regional Occupational Programs (ROPs) and Workforce Development Unit, to build the capacity of teachers providing instruction in Green Construction Projects. This partnership between education and the building trade industry intends to provide training for education providers in "green building" construction and to develop green building programs or redesign current construction programs to participate in green building systems. One of the outcomes of this project is to develop partnership agreements between middle schools, secondary and postsecondary educational agencies to provide students with opportunities for career exploration, advanced educational training and employment preparation in green building construction. This partnership includes stakeholders representing secondary, post secondary education, labor, local workforce investment boards, government and green building construction trainers and providers.

The State Board convened regional transformation roundtables throughout the state, bringing together representatives from California Community Colleges, local K-12 districts, ROPs, local boards, State level agencies, and economic development corporations. These roundtables served as a forum to share data developed through the Regional Economies Project Industry Clusters Methodology. These roundtables provided a common data set to assist regional decision making and an opportunity for the State to receive feedback on the development of partnerships between the workforce system and the local K-12 system that address preparing today's students to be competitive in the workplace of the future.

It is critical that California continue to improve core K-16 education to prepare future workers with the skills and information necessary for careers. California's youth, particularly those most in need as well as, people with disabilities, veterans, parolees, and other populations with barriers to employment must have opportunities for successful careers. Coordination with State and local entities is vital to building a true continuum of education, training, skill advancement and lifelong learning to support a flexible workforce.

This adaptable workforce will make the necessary transitions among occupations, industries, and careers as the State's economy evolves.

Ensuring the Accountability of Public and Private Workforce Investments

Upon entering office, one of the Governor's first actions was to order an extensive review of State government. As part of this effort, the Governor directed the departments and agencies within his administration to significantly improve State government performance. Optimizing coordination and communication, and strategically sharing and investing resources are key initiatives in making California's public service infrastructure as effective and efficient as it can be. This is particularly true in eliminating duplication of services and achieving administrative efficiencies at both the State and local levels. Savings can then be directed towards improved public services such as workforce training.

Transforming the Workforce System with Industry Clusters and Sector Strategies

The Governor's vision for a well coordinated and effective workforce development system will be advanced through data-driven strategic planning and the development of workforce solutions that are responsive to the demands of industry. The State Board recognized that the work of the CA Economic Strategy Panel (ESP) through its Regional Economies Project was essential in providing local and regional partners the information needed to understand a particular area's economic climate. The ESP developed "Industry Clusters of Opportunity Methodology" provides leaders with a clear understanding of which sectors present the greatest opportunity in terms of potential for growth in one or more areas: value; jobs; or, wages. By using data-driven analyses, regions have access to the most relevant economic information for their area. Regional and local stakeholders can then use this information as a basis for workforce and economic strategic planning, policy development and investment decisions.

In support of the use of the Industry Clusters of Opportunity Methodology, the California Economic Strategy Panel, Community Colleges Chancellor's Office, Employment Development Department, Employment Training Panel, Labor and Workforce Development Agency and the State Board entered into a Memorandum of Understanding. Through this agreement, the signatory agencies and departments delivered coordinated training sessions throughout the state to cross-organizational local and regional teams. The goal of the training sessions was to empower local and regional partnerships to conduct economic and labor market analysis at the county and multi-county level, understand the economic dynamics of the area more acutely, and begin collaborating on strategic planning, policy development and investment decisions to meet the demands of their growing regional economies.

The State Youth Vision Team

The State Youth Vision Team (SYVT) involves representatives from juvenile justice, foster youth serving organizations, philanthropy, education, apprenticeship and the private sector. The SYVT recently completed a comprehensive mapping effort, identifying resources available with the State structure to serve all segments of California's youth population. In the Summer of 2009, the SYVT will begin conducting regional forums to facilitate connections between local/regional youth serving organizations, introduce sector strategies as an approach for connecting local youth to growing career pathways available in their regions and engaging stakeholders in improving outcomes for California's youth by more

effective collaboration. Emphasis will be placed on improving service coordination to those youth most at-risk.

II. STATE WORKFORCE INVESTMENT PRIORITIES

Identify the Governor’s key workforce investment priorities for the State’s workforce investment system and how each will lead to actualizing the Governor’s vision for workforce and economic development (§111(d)(2) and 112 (a).)

The Governor’s key workforce investment priorities are:

- Understanding and meeting the workforce needs of business, industry, and regional economies;
- Targeting resources where the most economic impact can be gained;
- Collaborating to improve California’s educational system at all levels in order to equip youth and lifelong learners with the skills they need to be successful in the workplace; and
- Maximizing the accountability of public and private resources invested in workforce development.

Strategies for Understanding and Meeting the Workforce Needs of Business, Industry, and Regional Economies

- Increase State, regional, and local partnerships and linkages between the education, workforce, and economic development systems;
- Improve the shared accountability of publicly funded programs;
- Develop stronger partnerships with Local Boards;
- Promote policies supporting management/labor partnerships in “high road” industry sector initiatives;
- Provide policies supporting local business services; and
- Take full advantage of federal flexibility and waiver provisions.

Strategies for Targeting Limited Resources Where They Can Have the Greatest Economic Impact

- Focus these investments: On high-wage, high skilled, high-growth jobs; advancing workers with barriers to employment; and industries in California’s regional economies with statewide labor shortages;
- Track the effectiveness of investments and recommend shifts to new target areas as circumstances warrant. (For example, in 2006, the State Board’s Special Committee on Targeting Resources – in partnership with the Labor and Workforce Development Agency (LWDA); the Business, Transportation, and Housing Agency (BTHA); the California Economic Strategy Panel (CESP); and the California Community Colleges Chancellor’s Office (CCCCO) – identified the logistics industry as a statewide industry that is experiencing a growing shortage of skilled workers for higher-wage jobs.)

Strategies for Collaborating to Improve California’s Educational System at All Levels

- Strengthen career technical and vocational education at all levels of education;

- Increase the number of high school graduates, particularly within groups that now have higher than average non-completion rates;
- Promote partnerships between the State and Local Boards and education;
- Align lifelong learning opportunities with the new economy. Establish coordinated strategies for improvement that include K-12, community colleges, adult education, the California Secretary of Education, and the University of California and California State University systems;
- Use labor market and economic information in new and innovative ways to guide curriculum reforms in education and training; and
- Foster collaboration between local workforce investment boards and postsecondary institutions to address training needs that support regional economies.

Strategies for Ensuring the Accountability of Public and Private Workforce Investments

- Improve State and local government partnerships and coordination to maximize the use of public and private workforce resources in improving and expanding services such as workforce training;
- Leverage federal and private sector commitments and resources; and
- Maximize the effectiveness and efficiency of the workforce investment system.

Seven principles were established for building partnership, providing better service, and eliminating waste in order to make State government more effective and efficient. State and local governments must:

- Act as partners.
- Communicate effectively.
- Have predictable funding.
- Be performance-based and accountable.
- Have clear roles and responsibilities.
- Be streamlined.
- Be flexible and innovative, and change for the future.

As an example, the Governor is working actively with many State agencies to address economic development and workforce challenges encouraging coordination across public systems. Among these governmental entities are the State Board; the California Department of Education (CDE); the University of California system; the California State University system; the CCCCCO; the LWDA; the BTHA; the California Health and Human Services Agency (CHHSA); the Employment Training Panel (ETP); and the CESP. These entities and others are coordinating and planning strategically to identify the economic, education, and workforce challenges facing California and to develop solutions to address those challenges. They are coordinating and administering public funding more effectively for the programs and services they provide, as well as for the populations and businesses they serve. Likewise, the LWDA and the State Board will continue to strengthen their partnerships with Local Boards, local One-Stop Operators, and local partner programs to identify administrative efficiencies and governmental cost savings and maximize investment of available funds in training services resulting in a larger economic

impact. Promising advancements in State level coordination are being seen in the discussions emerging from the State Board's Green Collar Jobs Council and are detailed further in other sections of this plan.

The Governor is also expanding State and local intergovernmental efforts to improve public/private partnerships in an effort to better coordinate public- and private-sector investments and resources. The private sector invests significant resources, both through businesses and foundations, in recruiting and training new employees, as well as in training existing employees for new and more demanding jobs. The public sector can more effectively leverage and employ private sector investments in the public workforce system if it can demonstrate strategic investments of its own, such as California's ETP funding. Another example of this effort is the continued commitment by the Governor and the State Legislature to Career Technical Education (CTE) New accountability and administrative efficiencies, that result in expanded and improved services to both the citizens and the businesses of California, will also improve the public sector's ability to leverage private-sector commitments and resources.

Strategies for State-Board Action

Workforce Training Act. In 2006, Governor Schwarzenegger signed into law the Workforce Training Act (Act) which requires the State Board, in collaboration with state and local partners, to develop a strategic workforce plan. The State Board adopted Sector Strategies as the foundation for this plan. Sector Strategies and the joint work undertaken with the CESP serve as the framework for the state plan required by the Workforce Investment Act of 1998. The development of public policy, fiscal investment, and operation of all state labor exchange, workforce education, and training programs is guided by this framework.

Green Collar Jobs Act. To carry out his pledge to grow a green economy, Governor Arnold Schwarzenegger signed into law the Green Collar Jobs Act (AB 3018), which created the Green Collar Jobs Council (GCJC) under the auspices of the State Board. The GCJC is working to develop a comprehensive approach to address California's emerging workforce needs associated with its budding "green" economy. Among the State Board's and GCJC's objectives are to identify opportunities to leverage additional Recovery Act funding received for various investments such as weatherization, infrastructure, and public utilities projects. Ultimately, the Council seeks to optimize the development of a skilled workforce in preparation for jobs created in the clean and green economy, avert additional lay-offs in industries crucial to this sector and expand training for workers in high-wage, high-growth occupations. With the immediate opportunities stemming from the Recovery Act, the Council is currently functioning as a clearing house for green job opportunities and training programs. Training programs documented to date include programs in K-12, Community Colleges, Employment Training Panel (incumbent worker training), and apprenticeship training programs. State Agency Council members are engaged in active discussion regarding leveraged investment of ARRA funding to support labor market research, development and augmentation of critical training programs and regional strategic planning initiative.

Sector Strategies. In meeting the requirements of California's Workforce Training Act, the intent of the State Board has been to go beyond the development of a traditional strategic plan to the implementation of an evolving workforce development strategy-- one which is responsive to the State's dynamic economy. To this end, California's workforce development strategy will address the needs of industry and existing and future workers by:

- Bringing local Boards and their community leaders together to engage in a dialogue and discuss regional needs, emerging issues and practices;
- Using data driven analysis as the foundation for strategic decision-making and service delivery;
- Using industry sector strategies to support the goals of regional industry clusters, high-growth, and high-wage industries while advancing the goals of advancing low-skilled, low-wage workers.

*Industry Clusters of Opportunity.*³ California is evaluating the investment of Recovery Act funds into regional strategic planning efforts as a way to accelerate transformation of its workforce development system. The California Workforce Investment Board (State Board) is promoting data-driven analyses as the foundation for effective workforce development strategies. To support this effort, the State Board would utilize funding made available from ARRA for regional industry clusters of opportunity technical assistance grants. These grants will provide regional teams with “up-front design assistance” in the development regionally targeted industry cluster strategies. Grantees will receive assistance in Data Driven Diagnosis, Collaborative Priority-Setting, Negotiated Investment Strategies and/or Sustainability Planning. This effort builds on a series of training sessions conducted throughout the state on the California Economic Strategy Panel’s (Panel) *Industry Clusters of Opportunity User Guide: September 2008*

http://www.labor.ca.gov/panel/pdf/Industry_Clusters_of_Opportunity_User_Guide_September_2008.pdf

As proposed, each successful partnership would receive “up-front design assistance” to develop a customized technical assistance package that includes deliverables, milestones, and timelines.

Selection will be based on adoption of the industry clusters of opportunity methodology, competitive advantage of the regionally targeted industry cluster, strength of the partnership, level of financial and in-kind match, and commitment to breakthrough outcomes.

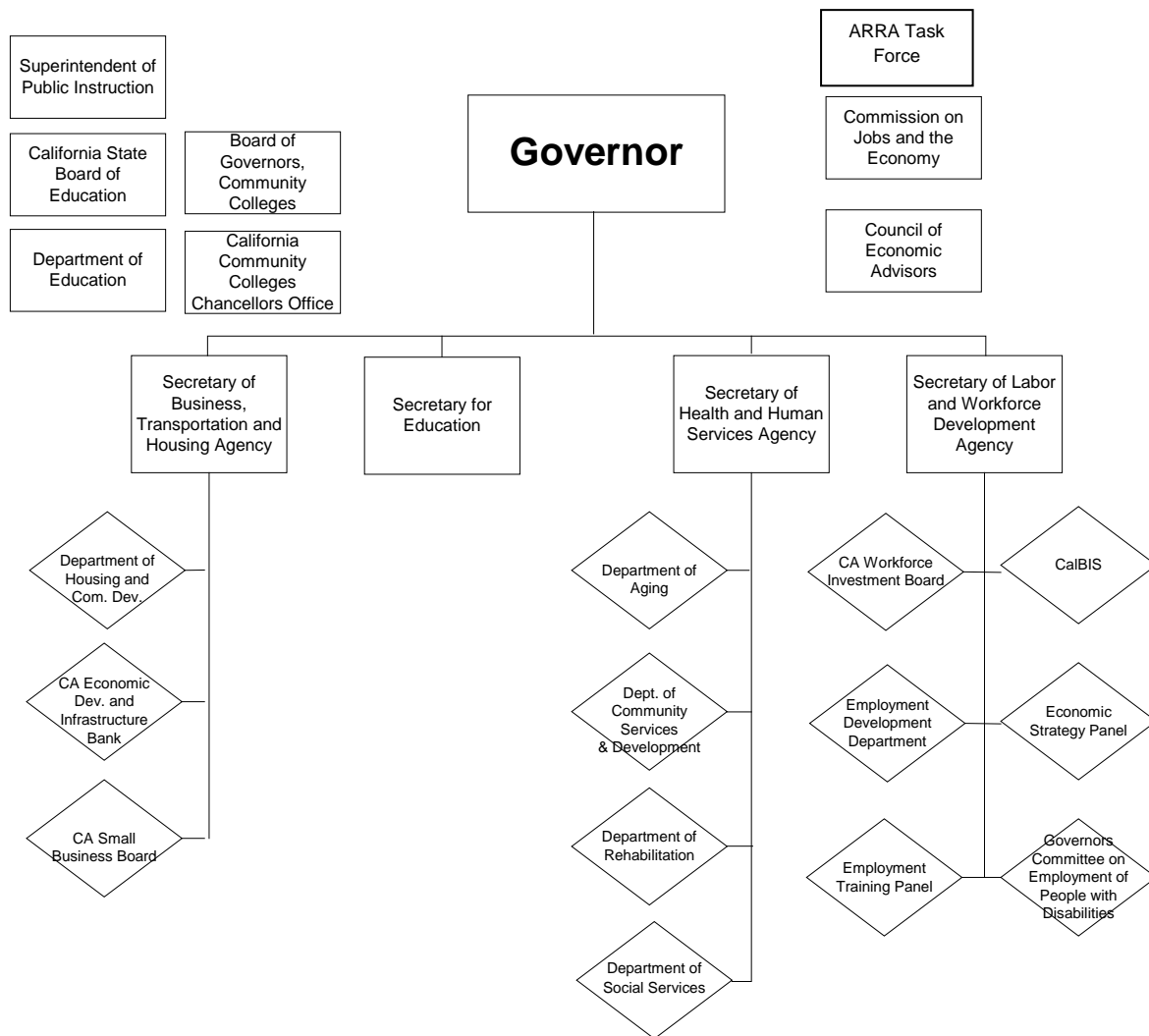
³ This effort is based on the California Economic Strategy Panel’s (Panel) *Industry Clusters of Opportunity User Guide: September 2008* and the series of training sessions conducted throughout the state. See http://www.labor.ca.gov/panel/pdf/Industry_Clusters_of_Opportunity_User_Guide_September_2008.pdf

III. STATE GOVERNANCE STRUCTURE (§112(B)(8)(A).)

A. Organization of State agencies in relation to the Governor:

1. **Provide an organizational chart that delineates the relationship to the Governor of the agencies involved in the workforce investment system, including education and economic development and the required and optional One-Stop partner programs managed by each agency.**
2. **In a narrative describe how the agencies involved in the workforce investment system interrelate on workforce, economic development, and education issues and the respective lines of authority.**

Figure 1: State Organizational Chart



The Governor appoints Secretaries to each of the four agencies identified in the chart above. The Secretaries of the LWDA; the BTHA; Education; and HHSA are members of the Governor's Cabinet and meet on a regular basis. The Governor also appoints department heads under each of those agencies. The interrelationship of appointed officials at the cabinet level allows for and drives cross-communication of issues both formally and informally at all levels of State government.

Most of the California agencies involved in the public workforce system are within the Governor's administration, with the exception of the California Department of Education and the California Community Colleges Chancellor's Office. The Superintendent of Public Instruction (Superintendent) is an elected statewide office-holder and the Chancellor of the Community Colleges (Chancellor) is elected by a Board of Governors. The Superintendent oversees workforce education programs such as Regional Occupational Programs, Regional Occupational Centers, Apprenticeship Programs and Adult Education and Family Literacy, while the Chancellor oversees certain vocational, apprenticeship, and economic development funding that is used by community colleges to develop and provide curriculum. These officials are appointed members of the State Board and, while collaborating at the cabinet level in developing policy for California's workforce investment system, they also ensure partnership and cross-communication at the department and staff levels.

The Employment Development Department under the LWDA works in conjunction with the Local Workforce Investment Areas to administer the required programs of One-Stops.

All entities of California's workforce system have the opportunity to communicate through interagency boards, committees and councils. For example, the Green Collar Jobs Council includes representatives from energy related state agencies, environmental organizations, education, and workforce.

B. State Workforce Investment Board (§112(b)(1).)

- 1. Describe the organization and the structure of the State Board (§111.)**
- 2. Identify the organizations or entities represented on the State Board. If you are using an alternative entity which does not contain all the members required under section 111(b)(1) of WIA, describe how each of the entities required under this section will be involved in planning and implementing the State's workforce investment system as envisioned in WIA. How is the alternative entity achieving the State's WIA goals? (§§111(a-c), 111(e), and 112(b)(1).)**

Attachment C provides a listing of the current membership and the organizations/classes represented on the State Board. The State Board has two officers: the State Board Chair and State Board Vice-Chair. Both of these positions are appointed by and serve at the pleasure of the Governor. The Chair and Vice-Chair are members of the private sector. The Chair has the responsibility to call and preside at all State Board meetings and perform other duties as required. The Vice-Chair acts as the Chair in the Chair's absence and performs other duties as required.

The State Board accomplishes its work through a committee structure comprised of one standing committee, special committees, and ad hoc committees. The standing committee members perform continuing functions, are comprised of State Board members, and are a permanent committee. Special committees are appointed by the State Board Chair to carry out specified tasks, include non-member State and local partners and stakeholders, and are usually time-limited. Ad hoc committees are informal workgroups comprised of State Board, partner, and stakeholder staff; are time-limited and task-oriented; and are formed to develop work products for the State Board. A brief description of the State Board's current standing and special committees follows:

Administration Committee: As a standing committee, it provides recommendations to the full State Board regarding special committee responsibilities and assignments; coordinates the work of special and ad hoc committees; develops agendas for State Board meetings; and, in instances where urgency and time constraints do not permit items to be acted upon by the full State Board, takes necessary actions and makes necessary commitments on behalf of the State Board, subject to ratification by the full State Board. The members of this committee are the Chair and Vice-Chair of the State Board, the special committee chairs, the Secretary of the LWDA, the Executive Director of the State Board, and at-large State Board members selected by the Chair.

Special Committee on Lifelong Learning: This committee focuses on collaborating to improve California's educational system at all levels.

Special Committee on Accountability in Workforce Investments: This committee is dedicated to ensuring the accountability of public and private workforce investments.

Special Committee of the Green Collar Jobs Council: This committee helps transform California's workforce to meet the demands of the emerging green economy.

It should be noted that in October of 2008 the State Board elected to modify the membership of two of its special committees, Targeting Resources and Business and Industry, in order to form the Green Collar Jobs Council. The State Board will continue to evaluate the existing special committees and modify membership and charge as deemed appropriate to the work at hand.

During the first two years of the current five-year planning cycle, California has successfully increased the business membership on the State Board in order to meet required private sector majority membership. The LWDA works with both the Governor's Office and the State Board itself to rebuild, revitalize, and redirect the organization. Inactive members are removed and replaced with new members in order to build a team that can provide leadership in achieving the Governor's vision and priorities for the workforce system. This effort ensures that the State Board maintains the broad representation and specific classes required in law, as well as the critical private sector majority.

Legislative changes

California's Workforce Training Act (Act): Signed in 2006, the Act requires the State Board, in collaboration with state and local partners, to develop a strategic workforce plan to serve as a framework for the public policy, fiscal investment, and operation of all state labor exchange, workforce education, and training programs. The strategic workforce plan serves as the framework for the single state plan

required by the Federal Workforce Investment Act of 1998. In meeting the requirements of the Act, the State Board intends to go beyond the development of a traditional strategic plan, implementing an evolving workforce development strategy which is responsive to the State's dynamic economy. The state can play a key role in providing leadership and resources to the stakeholders involved in the development of California's workforce, but recognizes that the talent needed to keep any given sector viable in a local economy is produced by the efforts of well developed regional and local partnerships.

California's Green Collar Jobs Act: In 2008, the Green Collar Jobs Council (GCJC) was established by the Green Collar Jobs Act to "capitalize on our state's clean-tech boom and help transform California's workforce to meet the demands of an emerging green economy." This intergovernmental partnership performs specified tasks related to addressing the workforce needs that accompany California's growing green economy. The GCJC is comprised of members from the State Board, K-12 education, California Community Colleges, Business, Transportation and Housing Agency, California Energy Commission, California Public Utilities Commission, the Legislature, and other appropriate state and local entities. In following with the State Board's sector strategic approach, the GCJC will assist in: Developing and linking green collar job opportunities with workforce development training opportunities; creating public, private and nongovernmental partnerships to maximize investment and leverage resources; expanding the state's workforce development programs, network and infrastructure; and establishing job training programs in the clean and green technology sectors.

3. Describe the process your State used to identify your State Board members. How did you select board members, including business representatives, who have optimum policy-making authority and who represent diverse regions of the State as required under WIA? (20 CFR 661.200).)

The members of the State Board are appointed by the Governor in conformity with WIA Section 111(b), State Assembly Bill 925 (Statutes of 2002, Chapter 1088, Section 5) that requires a seat for a non-governmental person with a disability, and the Workforce Training Act, that requires 15 percent of the State Board be members representing organized labor and that a member of the California Economic Strategy Plan be seated. The members represent the many facets of workforce development – business, labor, public education, higher education, economic development, youth activities, and employment and training, as well as the State Legislature. Two of the Legislative members are appointed by the Senate President Pro Tem and the Speaker of the Assembly appoints the other two Legislative members.

Nominations for business and labor representatives are solicited from California's major business and labor associations, such as the California Manufacturers and Technology Association, the California Chamber of Commerce, and the American Federation of Labor and Congress of Industrial Organizations. The associations nominate individuals to represent their constituencies and are advised that the Governor will take into consideration the individuals' policy-making authority and other geographic and demographic information. Their expert knowledge and experience ensures that the State Board takes a leadership role in recommending sound policies for California's workforce system. The State Board, through the LWDA, works closely with the Governor's Appointments Secretary to refill vacancies as they occur.

4. Describe how the board's membership enables you to achieve your vision described above. (§§111(a-c) and 112(b)(1).)

State Board representation is comprised of key workforce partners and stakeholders from both the public and private sectors in California. The business leadership on the State Board is integral to achieving a demand-driven workforce system that provides the strategic framework for workforce investment in California. These business leaders help the State Board and the workforce system focus productively on the Governor's priorities for the system, such as identifying and serving industries with statewide labor shortages, as well as national priorities, such as a demand-driven system.

To compliment the private sector representation, public sector members represent key stakeholders in the system, including mandatory One-Stop partners and programs. Public sector members assist the State Board and the Governor in understanding the State and local administrative complexities of coordinating such a diverse array of programs and services and serving such a diverse population of both citizens and industries. All State Board members, including those from the public sector, were recommended to the Governor for their individual leadership experience and abilities and because they represent the broad geographic, economic, political, and demographic diversity of the State. All members are leaders in their communities as well as in business and in government, and have vested themselves and their communities in continuously preparing California's workforce to support economic development and improve the quality of life for all Californians.

5. Describe how the Board carries out its functions as required in sec. 111(d) and 20 CFR 661.205. Include functions the Board has assumed that are in addition to those required. Identify any functions required in sec. 111(d) the Board does not perform and explain why.

The State Board is responsible for assisting the Governor in all functions outlined in WIA section 111(d). In 2006, the Workforce Training Act charged the State Board with the additional function of making recommendations to the Governor on WIA 15 Percent Discretionary fund investments. The State Board carries out all of its functions through standing, special, and ad hoc committees which are generally chaired by State Board members and, in the case of the special and ad hoc committees, include both Local Board representatives and key stakeholders. The committees publicly deliberate policy issues and direct staff work in order to effectively carry out the State Board's functions. The products and policies developed are then presented to the full State Board for action.

Once the policies are adopted, the State Board works closely with the LWDA and the EDD to implement policy and distribute products. An electronic information system is used to publish products and to inform the public and stakeholders of policy recommendations. Information is also communicated to an

extensive list of State and local stakeholders and interested parties via EDD information bulletins and directives.

The State Board is also uniquely positioned to transform the workforce development system through regional sector strategies and data-driven analysis to identify industry clusters of opportunity. In addition, the State Board convenes the Green Collar Jobs Council, an interagency group comprised of members from the State Board, representatives from K-12 education, the California Community Colleges representative, State agencies, and others.

6. *How will the State Board ensure that the public (including people with disabilities) has access to board meetings and information regarding State Board activities, including membership and meeting minutes? (20 CFR 661.205)*

The State Board deliberates WIA policy issues at open public meetings in conformance with California's Bagley-Keene Open Meeting Act. This Act sets forth the requirements for State agencies to conduct open meetings so that the public may remain informed.

The State Board uses its website at www.calwia.org to provide Board members and the public with direct access to information on a variety of workforce investment issues. The website, which is formatted to meet the needs of persons with disabilities, includes information on current State Board members, upcoming meetings and events, meeting notices, agenda packets, draft documents for public review and comment, special initiatives and projects, and other items of interest to the workforce community. A notification is sent electronically to list-serve subscribers informing them of upcoming meetings and meeting materials once they are posted on the website, and a hard copy notice is mailed to subscribers on the State Board's mailing list. Meeting minutes are also posted on the website once they are approved by the State Board.

In order to provide access to all people, including those with disabilities, the State Board provides the following accessibility in compliance with the Americans with Disabilities Act:

- Wheel chair accessibility is available at all State Board meetings;
- Upon notification, an interpreter for the hearing impaired can be provided at State Board meetings;
- TDD communication accessibility is available at all State Board meeting facilities; and
- Written materials used at State Board meetings are provided upon request in alternate formats such as Braille.

7. *Identify the circumstances, which constitute a conflict of interest for any State or local workforce investment board member or the entity that s/he represents, and any matter that would provide a financial benefit to that member or his or her immediate family. (§§111(f), 112(b)(13), and 117(g).)*

Members of the State Board are subject to a comprehensive body of state law governing conflict of interest (Gov. Code 81000-91014). Pursuant to State and Federal law, the State Board has adopted and promulgated a Conflict of Interest Code. State Board members, including designees, are required to file a statement of economic interests with the California Fair Political Practices Commission and provide a copy to the State Board staff organization. The statements of economic interests are governed by State law and indicate the specific kinds of financial information members of the State Board will have to disclose. State Board members are required to file their conflict of interest statements annually. Local Boards are responsible for adopting their own Conflict of Interest code.

The specific kind of financial information State Board members must disclose is income (including investments, gifts, travel reimbursements, loans, etc.) received from sources that directly contract with the State Board and from similar firms that could contract with the Board. These sources include:

- Vendors who provide website development and maintenance;
- Consultants providing services related to youth development, information technology, or regional economies;
- Legal consulting services;
- Airline travel services;
- Credit card companies utilized for purchasing minor supplies or equipment;
- State agencies who provide equipment that allows the State Board access to the Internet and access to reporting systems for tracking State Board expenditures;
- Vendors who provide evaluation surveys/services; and
- State agencies that provide administrative services (personnel, fiscal, accounting, labor relations, contracts, and facilities).

8. *What resources does the State provide the Board to carry out its functions (e.g., staff, funding, etc.)?*

The Governor's WIA 15 Percent Discretionary funds are used to carry out State Board activities. These funds provide for 22 State civil service staff and include operating expenses such as facilities, travel, and meeting preparation costs.

The staff organization plans, develops, and supports each State Board meeting, carries out recommendations as assigned from the State Board, and carries out action items following each State Board meeting. The Executive Director is an integral part of the State Board, contributing as a non-voting participant at State Board meetings and in Administration Committee meetings. The Executive Director has a leadership role in the preparation and planning for each State Board meeting, and also assists the Chair in appointing special committee chairs and vice chairs.

The staff organization supports the various committees, including the ad hoc committees or workgroups, which are normally comprised of State Board members and staff as well as staff from local and State partners and stakeholders. These committees require consensus-building discussions among program

partners and form the basis for subsequent discussions and policy-related issues and resolutions that are forwarded to the State Board for consideration. The staff assigned to each of these committees is responsible for planning, organizing, and preparing for meetings. This includes researching issues and providing background material required by the members to engage in productive discussions of issues, and leading high-level policy discussions.

C. State Agencies and State Board Collaboration and Communication. (§112(b)(8)(A).)

- 1. Describe the steps the State will take to improve operational collaboration of the workforce investment activities and other related activities and programs outlined in section 112(b)(8)(A) of WIA, at both the State and local level (e.g., joint activities, memoranda of understanding, planned mergers, coordinated policies, etc.). How will the State Board and agencies eliminate any existing State-level barriers to coordination? (§§111(d)(2) and 112(b)(8)(A).)**

In a state as large and diverse as California, with a system as broad and loosely defined as the workforce system, achieving effective collaboration among the numerous workforce-related State agencies and departments, the State and Local Boards, local government, and local partners is a continuous challenge. The barriers to effective collaboration in California are common nationwide: administratively and fiscally independent programs, multiple purposes and goals with minimal attention to workforce-related components, diverse accountability and performance measurement objectives, and across-the-board budget reductions. The efforts to improve operational collaboration within California's workforce system are ongoing. In response to the challenge, the Governor aims to identify and address these barriers and to improve intergovernmental relations and the relations between the public and private sectors. The State Board is particularly interested in new partnerships which are emerging from the deliberations of the Green Collar Jobs Council. The opportunity to engage new partners from the California Energy Commission, California Environmental Protection Agency and its Departments, the California Public Utilities Commission, and a host of others has spurred discussions of leveraged investment opportunities and hints of new ways to organize workforce development efforts statewide.

The State Board's process for revising the State Plan is a model of collaboration that the Board will continue to use to guide its activities over the future planning periods. The process is briefly discussed under "Plan Development Process." The State Board ensures maximum public, state, and local partner involvement in the planning process by establishing four special committees that have conducted the policy and planning activities leading to the included modifications through public forums. The State Board also conducts special partner meetings for the same purpose, as well as a full board meeting to receive and discuss commentary on the revised plan when it is in draft form.

The participation of the public, workforce, and business communities in these various forums provided support and guidance for the plan itself. The special committees also provided issues and strategies that the State Board is incorporating in its ongoing efforts to achieve the Governor's priorities for California's workforce system. This process, as well as the broader strategic planning process as required by the Workforce Training Act and the Green Collar Jobs Act, allows the LWDA, the State Board, the EDD, and

all other public and private workforce partners to play increasingly collaborative roles in reducing administrative costs, eliminating duplication, sharing resources, leveraging resources from and partnership with the private sector, and expanding and improving the services that the workforce system provides to individuals and businesses.

The State Board, through its broad membership, encourages collaboration among both State and local public and private entities. This collaboration is further enhanced through the State Board's committee structure. Members of the State Board's committees include representatives from Local Workforce Investment Areas (Local Area) and/or Local Boards, business leaders, local and State partner entities, and key stakeholders that have a vested interest in workforce issues.

The State Board will also expand on current efforts to assist in improving operational collaboration among State entities. Using Governor's WIA 15 Percent Discretionary funds, the State Board negotiates contracts with key State partner agencies in the workforce system such as the California Department of Education (CDE) and the Chancellor of California Community College Office (CCCCO). These joint agreements engage the educational system, including the Adult Education and Family Literacy Program, as active participants in State and local WIA systems development, program operations, and service delivery. Additionally, the State Board and the EDD, which serves as the State's administrative entity for both the WIA and Wagner-Peyser programs, are continuing to strengthen their operational collaboration. The State Board and the EDD both report to the LWDA, which is assisting in forging stronger partnerships among its various departments. This has resulted, among other things, in better coordination among the entities regarding policy and administrative roles, responsibilities, and protocols. The State Board focuses its attention on assisting the Governor with issue resolution and policy development, while the EDD focuses its efforts on implementing the Governor's policies and priorities.

2. Describe the lines of communication established by the Governor to ensure open and effective sharing of information among the State agencies responsible for implementing the vision for the workforce investment system and between the State agencies and the State Workforce Investment Board

Open lines of communication are established through the representation of cabinet-level agency Secretaries on the State Board, including the Secretary of the LWDA, who is the Governor's designated State Board representative. The LWDA also provides a liaison that works closely with both the State Board and the EDD on workforce policy issues. Weekly meetings are scheduled among these entities to identify and discuss issues of mutual interest. The State Board and the EDD's Workforce Services Division (WSD) managers and staff meet regularly to coordinate issues and activities, and work in teams with State and local partner staff to address both policy and administrative issues. Both also participate in various, ongoing communication vehicles such as monthly meetings of the Local Area Administrators Advisory Group. The two major State-level educational entities, the CDE represented by the Superintendent, and the CCCCCO represented by the Chancellor, also have seats on the State Board.

The State Board has restructured into one standing and five special committees. These committees include representatives from Local Areas and/or Local Boards, and key State and local partners, stakeholders, and business representatives who assist in the continuous improvement of California's workforce investment system.

- 3. Describe the lines of communication and mechanisms established by the Governor to ensure timely and effective sharing of information between the State agencies/State Board and local workforce investment areas and Local Boards. Include types of regularly issued guidance and how Federal guidance is disseminated to Local Boards and One-Stop Career Centers. (§112(b)(1).)**

Policies adopted by the State Board are deliberated in open public forums. Once these policies are recommended to and adopted by the Governor, they are distributed via an e-mail system, as directives and information bulletins to an extensive list of stakeholders and interested parties, including State partners and Local Boards. This e-mail system is maintained by the EDD. Federal guidance that is issued and affects local program operations is also distributed via this e-mail system. All directives are posted on the EDD website in draft form, with a 30-day public comment period before they become final.

The EDD's WSD also provides Regional Advisors who act as technical assistance liaisons with all 49 of California's Local Areas, as well as Project Managers who provide technical assistance to the variety of special projects funded through the Governor's WIA 15 Percent Discretionary funds. In addition, the WSD maintains both a Capacity Building Unit (CBU) that develops and provides WIA and One-Stop related training that often includes training on federal guidance, and a Local Policy Guidance Unit that develops guidance, including information bulletins and directives, on both State and federal policy. Finally, the EDD and the State Board maintain open lines of communication with Local Boards and Local Area Administrators through regularly scheduled meetings and conference calls.

- 4. Describe any crosscutting organizations or bodies at the State level designed to guide and inform an integrated vision for serving youth in the State within the context of workforce investment, social services, juvenile justice, and education. Describe the membership of such bodies and the functions and responsibilities in establishing priorities and services for youth? How is the State promoting a collaborative cross-agency approach for both policy development and service delivery at the local level for youth? (§112(b)(18)(A).)**

The State Board's Special Committee on Lifelong Learning is chaired by the Chancellor of California's community colleges, and includes representatives of the State Board, Local Boards, the CDE, the business community, the California Secretary of Education, and organized labor. The committee is responsible for workforce policy related to lifelong learning and the blending of education with workforce

and economic development. One of its responsibilities is to explore and address issues related to WIA youth programs and local youth councils.

The State Youth Vision Team (SYVT) was originally formed in December 2004 after the State attended initial regional forums of the "Shared Youth Vision Federal Collaborative Partnership." The State Board reconvened the SYVT during December 2006 as a vehicle under the committee to assist in implementing the federal shared youth vision. The purpose of the SYVT is to foster communication, coordination, and collaboration at state and local levels in support of those who serve youth most in need through WIA funded youth programs.

The SYVT meets bi-monthly with some initial short term objectives focused on State cross-agency collaboration, leveraging resources and providing technical assistance support to the local area youth councils and service providers. Current members include representatives from the DOL, the Job Corps, the State Building and Construction Trades Council, the California Conservation Corps, the CCCCO, the EDD, the CDE, the California Department of Corrections and Rehabilitation, California Department of Social Services, Office of Emergency Services/California Gang Reduction, Intervention and Prevention, Department of Mental Health, Department of Rehabilitation, and the California Department of Health Services.

Other crosscutting youth organizations with which the State Board collaborates:

- State Interagency Team for Children, Youth, and Families (SIT), under the California Department of Social Services (CDSS) provides leadership and guidance to facilitate full county implementation of improved systems that benefit communities and the common population of children, youth, and families. The SIT promotes shared responsibility and accountability for the welfare of children, youth, and families by ensuring that planning, funding, and policy are aligned across State departments. Its main goals include:
 - Building community capacity to promote positive outcomes for vulnerable families and children
 - Maximizing funds for shared populations, programs, and services
 - Removing systemic and regulatory barriers
 - Ensuring that policies, accountability systems, and planning are outcome-based
 - Promoting practice that engages and builds on the strengths of families, youth, and children; and
 - Sharing information and data.

SIT membership includes the California Departments of Social Services, Mental Health, Alcohol and Drug Programs, Health Services, Justice, Developmental Services, and Education; the EDD, the State Board, the California Welfare Directors Association, the Chief Probation Officers of California, The First 5 California Children and Families Commission, the Annie E. Casey Foundation, and the Judicial Council of California Center for Families, Children, and the Courts.

- The Foster Youth Employment, Training, and Housing Task Force is an interagency coalition responsible for developing collaborative strategies to promote the implementation of an initiative to register foster youth at One-Stop Career Centers. The Task Force has expanded its efforts to provide support for foster youth by promoting collaboration among agencies to provide transition services for foster youth. The task force is also participating in the National Governors Association Policy Academy Team on Youth Transitioning Out of Foster Care, which provides a

unique opportunity for California to participate, as one of six states chosen nationwide, to work with national experts to help improve outcomes for youth in transition from foster care to adulthood. This initiative will continue through December 2007.

- The California Child Welfare Council - Governor Schwarzenegger signed into law AB 2216 (Chapter 384, Statutes of 2006), the “Child Welfare Leadership and Performance Accountability Act of 2006,” to establish, among other things, the California Child Welfare Council (CWC). The CWC is a new State advisory body that will consider recommendations to improve child and youth outcomes through increased collaboration and coordination among the programs, services and processes administered by the multiple agencies and courts that serve children and youth in California’s child welfare system.”

These youth taskforces and interagency teams, each of which has links to the State Board, are helping to reduce institutional, regulatory, and systemic barriers for youth most in need. The State will continue to cultivate youth interagency taskforces and teams to consolidate and translate their work and analysis into the State’s workforce development systems. The State Board also recognizes that it is crucial for Local Boards to identify and leverage existing resources and services, and will work with Local Boards to promote more cross-agency collaboration with local public service agencies, non-profit organizations, and the local business communities. To meet the demands of the labor market, Local Boards, social services agencies, school districts, and community and faith-based organizations must all join forces to create comprehensive and appropriate service strategies that will lead to tangible pathways towards higher education and high-skill employment for youth.

Additionally, the Executive Director of the State Board sits as a member to the Community College’s Economic and Workforce Development Advisory Committee, participates in the strategic planning processes undertaken by the California Department of Education for its career technical and adult education programs, and is a participant in the Breakthrough Series Collaborative with the Department of Children’s Services, Independent Living Program focused on emancipating foster youth.

IV. ECONOMIC AND LABOR MARKET ANALYSIS

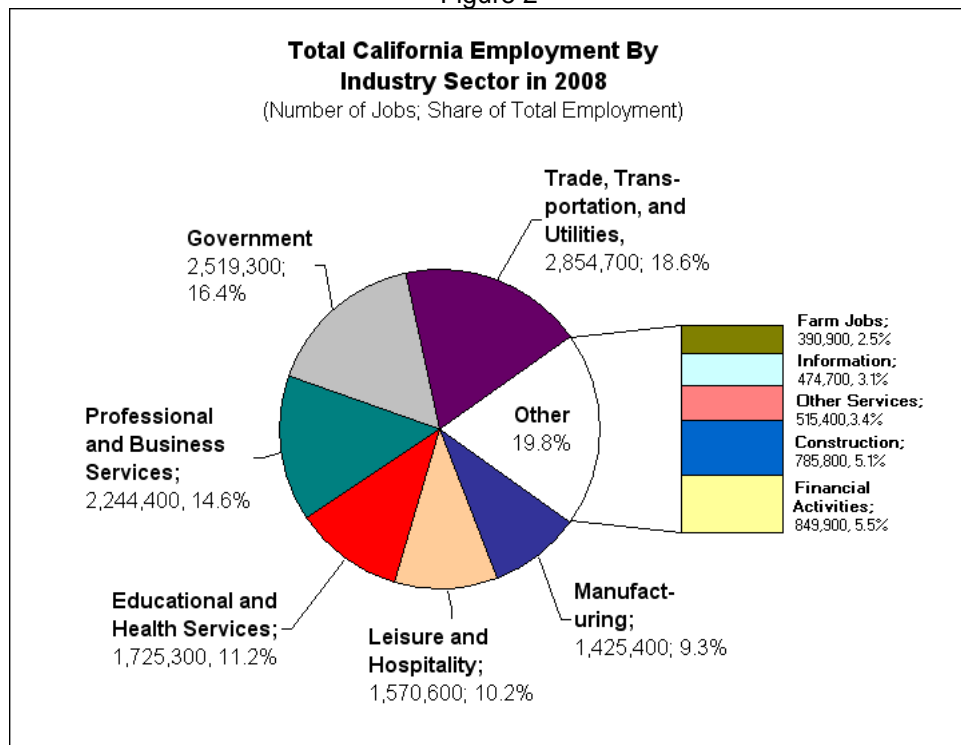
As a foundation for this Plan and to inform the strategic investments and strategies that flow from this Plan, provide a detailed analysis of the State's economy, the labor pool, and the labor market context. Elements of the analysis should include the following:

A. What is the current makeup of the State's economic base by industry?

California has the largest labor market in the U.S. In 2008, nonfarm payrolls totaled 14,994,100 jobs, comprising 10.9 percent of the nation's nonfarm jobs. In addition, California had 390,900 jobs in the farm sector (2.5 percent of all California jobs), for a total of 15,385,000 jobs in 2008. In 2008, employment in three California industry sectors totaled more than 2 million jobs: trade, transportation, and utilities (2,854,700); government (2,519,300), and professional and business services (2,244,400). Half of the State's jobs were located in these three industries in 2008.

Payrolls in three additional California industries totaled more than 1.4 million jobs in 2008: educational and health services (1,725,300), leisure and hospitality (1,570,600), and manufacturing (1,425,400). Only two of California's remaining six industry sectors comprised more than 5 percent of total employment in 2008: financial activities (5.5 percent), and construction (5.1 percent).

Figure 2



HOW HAS THE ECONOMIC DOWNTURN AFFECTED THE STATE'S ECONOMY?

Economic Conditions in California⁴

In the second quarter of 2009, the California economy was gripped by a severe recession characterized by deepening job losses and rapidly rising unemployment. From their peak in July 2007 through April 2009, California nonfarm payrolls fell by 791,000 jobs (5.2 percent). This constituted the largest job loss in number and percent of any economic downturn since World War II.

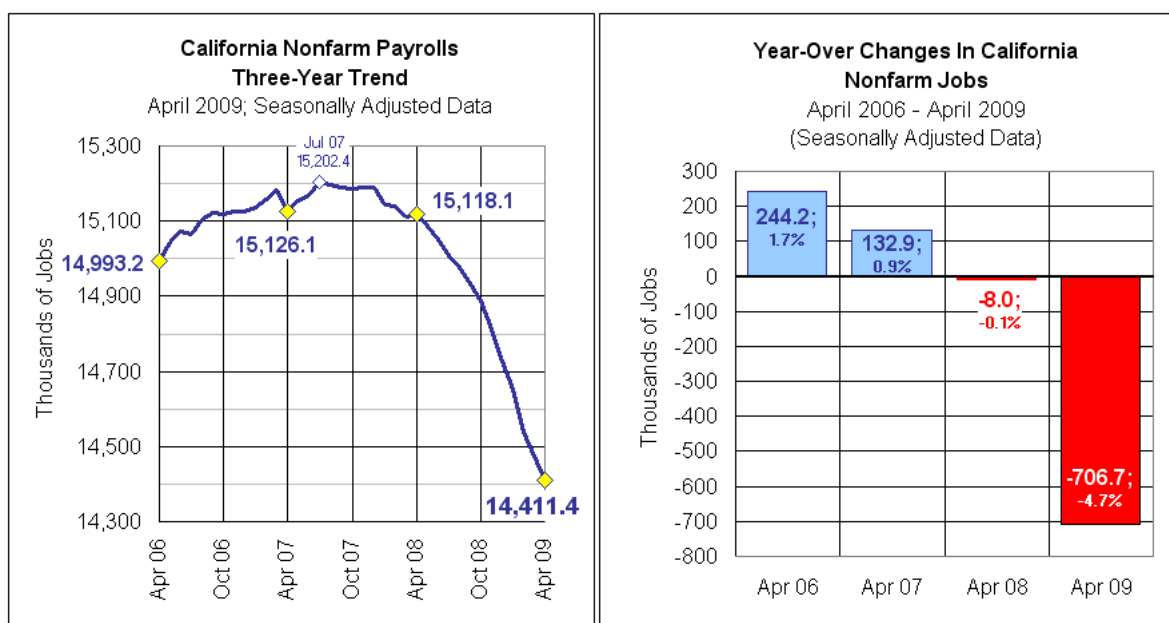


Table 1

California's year-over job losses totaled 706,700 (4.7 percent) in April 2009. More than two-thirds of this loss occurred in the six months ending in April 2009. Whereas losses totaled 231,400 jobs from April 2008 through October 2008, they totaled 475,300 jobs from October 2008 through April 2009.

California's economic problems originated in the housing and financial sectors, spread into the consumer economy, and subsequently into the rest of the economy. The chart below compares the year-over job changes in California's housing and finance industries, consumer economy, the rest of the economy.

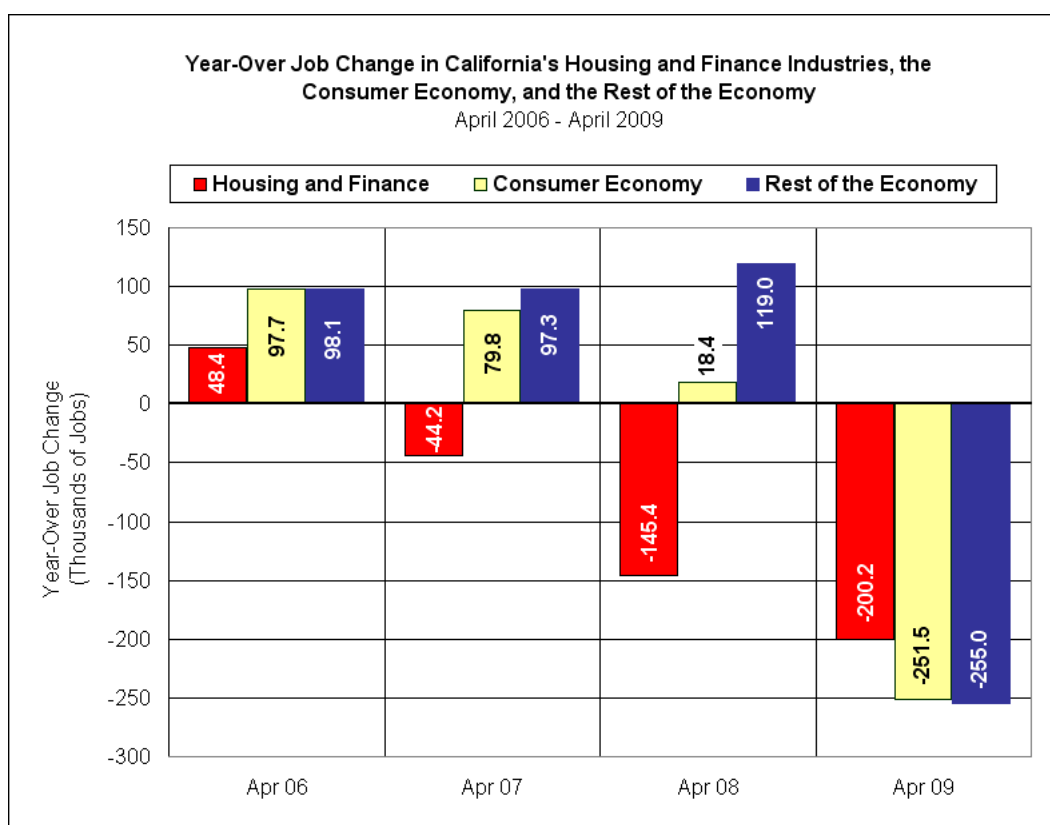
These three categories are defined as follows:

⁴ This section summarizes California economic conditions using employment and unemployment data available through April 2009 (preliminary).

1. Housing and finance includes the construction and financial activities sectors,
2. The consumer economy includes the trade, transportation, and utilities; and leisure and hospitality sectors,
3. The rest of the economy includes all other industry sectors.

Even though the housing and finance sector had already begun losing jobs, California's year-over job gains totaled 244,200 jobs in April 2006, with housing and finance contributing nearly one-fifth of this gain.⁵ Year-over job growth slowed to 132,900 in April 2007 as the consequences from the bursting of the housing bubble deepened. This slowdown was primarily attributable to year-over job losses totaling 44,200 jobs in housing and finance. In contrast, year-over job growth in the consumer economy slowed only slightly from the previous year, and was largely unchanged in the rest of the economy.

Table 2



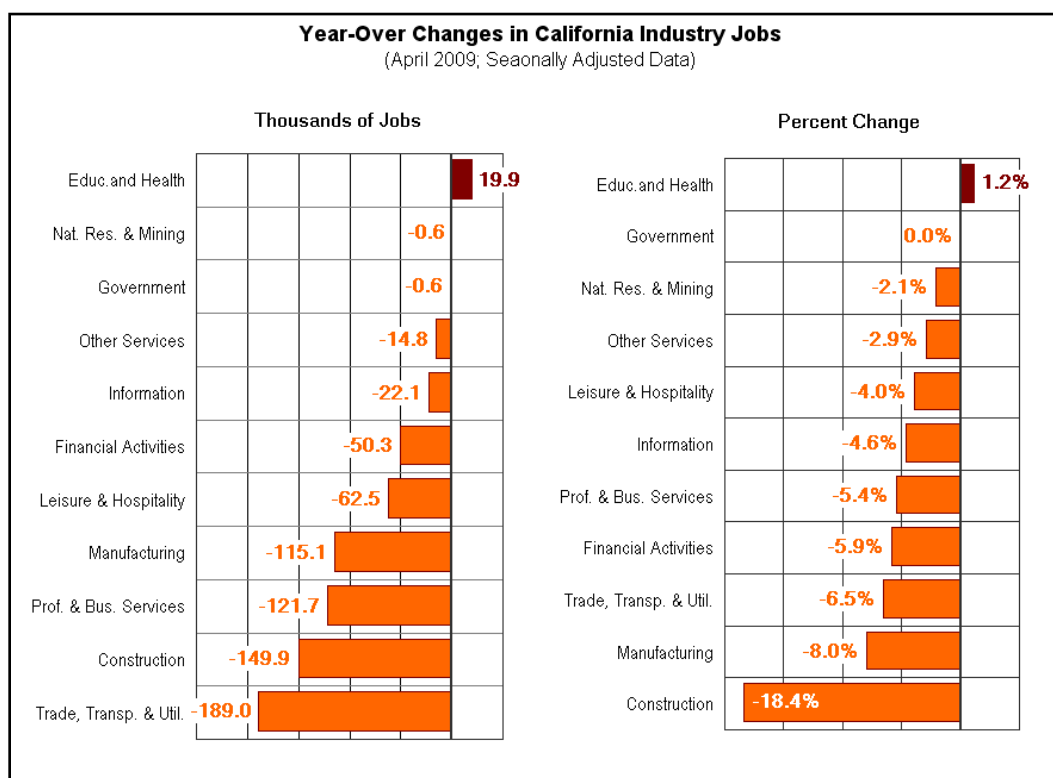
⁵ Year-over gains in housing and finance peaked in January 2006 at 108,200 jobs. Despite accounting for a little over 12 percent of total nonfarm jobs, housing and finance accounted for more than 35 percent of California's 307,400 year-over gain in total nonfarm payroll jobs in January 2006.

In April 2008, California experienced a year-over nonfarm payroll loss totaling 8,000 jobs. Year-over job losses in housing and finance were more than triple those of April 2007, and year-over job growth in the consumer economy slowed to less than one-quarter of its April 2007 total. In contrast, year-over job growth in the rest of the economy was stronger in April 2008 than in April 2007.

California's job losses mushroomed to 706,700 over the year-ending in April 2009. While job losses in housing and finance deepened to 200,200, job losses in the consumer economy, and the rest of the economy totaled 251,500 and 255,000 jobs, respectively. The large majority of job losses in the rest of the economy were in the manufacturing and professional and business services sectors.

California's job losses over the last year have been widespread across industry sectors. Educational and health services, which added 19,900 jobs, was the only one of California's 11 major industry sectors to gain jobs over the year ending in April 2009. However, educational and health services' year-over job gain in April 2009 was only about one-quarter that of April 2008.

Table 3



Trade, transportation, and utilities (189,000) experienced the largest job loss of any industry sector over the year ending in April 2009. These losses were concentrated in retail trade, but transportation, warehousing, and utilities; and wholesale trade both exhibited deepening job losses.

Three additional California industry sectors lost more than 100,000 jobs over the year ending in April 2009: construction (149,900), professional and business services (121,700), and manufacturing (115,100). Leisure and hospitality (62,500), and financial activities (50,300) were the other California industry sectors that lost more than 50,000 jobs over the year ending in April 2009.

On a percentage basis, construction had far and away the largest year-over job losses of any California industry sector in April 2009. Job losses in construction were distributed across construction industries and in both residential and commercial construction.

Nearly two-thirds of the professional and business services sector year-over job losses, 121,700 in total, were in administrative and support and waste services, and more particularly, employment services. However, California's high-wage and high growth professional, scientific and technical services subsector lost 31,000 jobs over the year ending in April 2009, and the subsector exhibited a trend of increasing monthly job losses.

Job losses in manufacturing were widespread across both durable and nondurable goods manufacturing industries. In fact, 20 of the 21 major manufacturing industries experienced a year-over job loss in April 2009. Only petroleum and coal product manufacturing showed a year-over job gain, totaling 200 jobs.

Year-over job losses in financial activities were widespread across most industries. Leisure and hospitality's jobs losses were heavily concentrated in the consumer-oriented accommodation and food services industry subsector.

Although government experienced a small year-over loss of 600 jobs in April 2009, this reflected an 11,500 job gain in federal government jobs in April, led in particular by the hiring of U.S. census workers in preparation for the 2010 Census. Prior to April, there was a trend of deepening government job losses—particularly in local government. Government job losses are expected to mount over the next couple years due to the severe budgetary constraints facing the State and local governments.

Unemployment

Unemployment has risen at a sustained and rapid pace in the current economic downturn. In March 2009, the California unemployment rate rose to 11.2 percent, which was the highest rate on record (i.e., since January 1976).

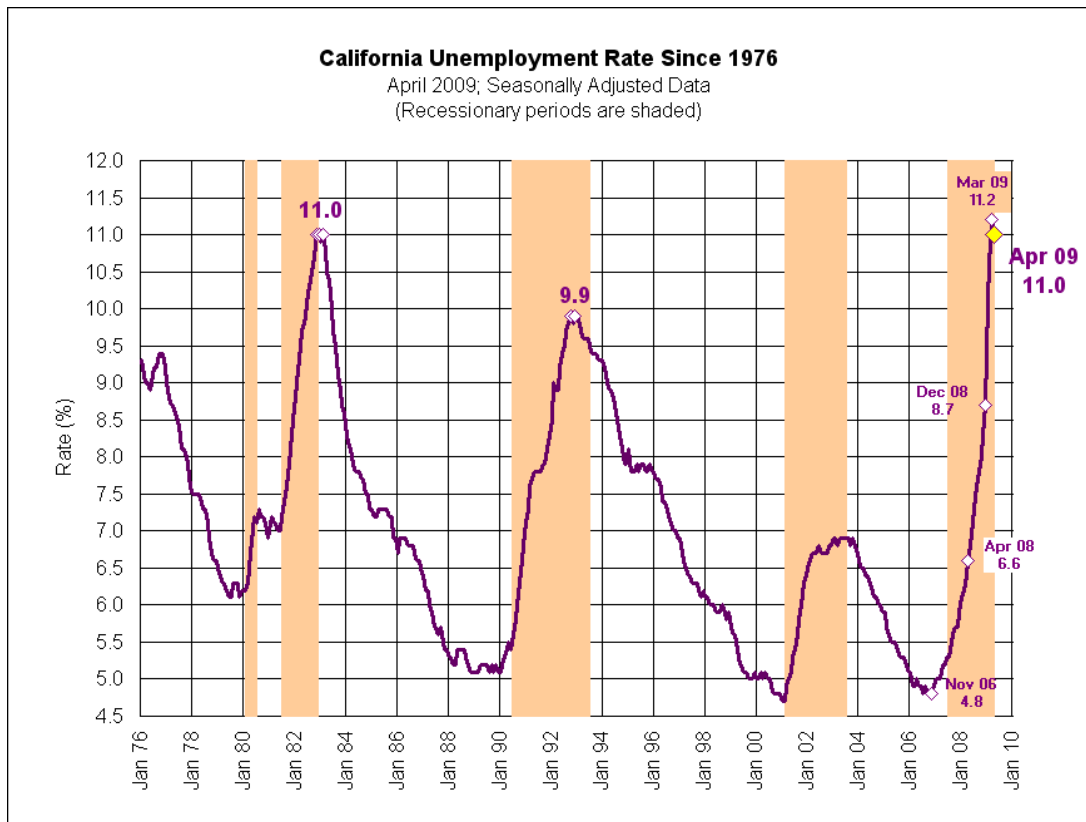


Table 4

Although California's unemployment rate fell to 11.0 percent in April 2009, this was only the first decrease in 31 months. The April 2009 unemployment rate matched the highest unemployment on record prior to March 2009, which occurred in the recession of the early 1980s. California's unemployment rate rose by 4.4 percentage points over the last year, trailing only March 2009's year-over increase of 4.8 percentage points as the highest on record. The April 2009 unemployment rate was 6.2 percentage points higher than its most recent low of 4.8 percent in November 2006.

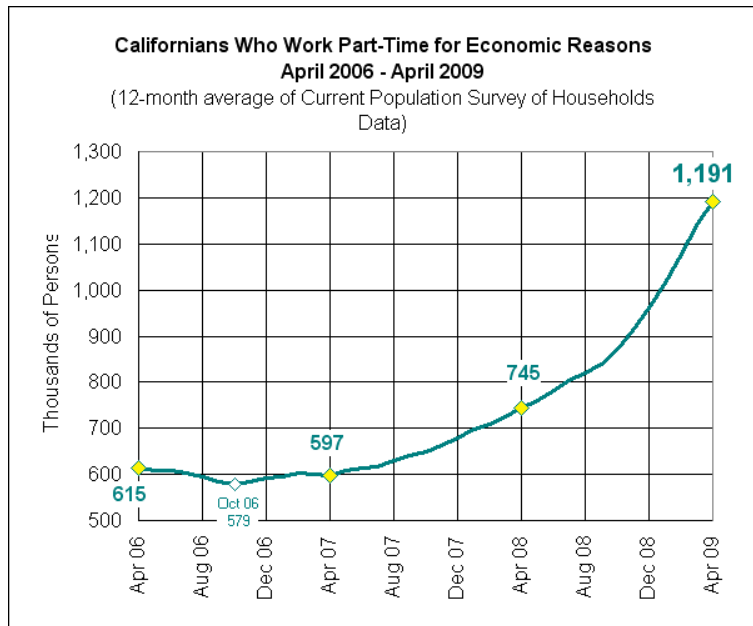
There were 2,057,000 unemployed Californians in April 2009. There were 843,000 (69.4 percent) more unemployed Californians in April 2009 than in April 2008, and 1,198,000 (or 140 percent) more than in November 2006, the recent low.

There were 16,526,000 employed Californians in April 2009. There were 544,000 (3.2 percent) fewer employed Californians in April 2009 than in April 2008, and 571,000 (3.3 percent) less than in July 2007, when employment peaked.

The current economic slump has led to a sharp increase in the number of Californians who work part-time for economic reasons, a category that is also referred to as "involuntary part-time employment" or "underemployment." These are workers who would like to work full-time hours, but can't because their hours have been reduced by their employers or because they can't find work with full-time hours.

According to a 12-month average of Current Population Survey of household's data, 1,191,000 California workers worked part-time for economic reasons in April 2009. This was an increase of 446,000 persons (63.0 percent) from February 2008. The number of Californians who worked part-time for economic reasons more than doubled from the recent low of 579,000 in October 2006 through April 2009. Californians who worked part-time for economic reasons made up 7.0 percent of all employed California workers in April 2009, compared to just 3.4 percent of workers in October 2006.

Table 5



Rising unemployment in California has affected all gender, age, and race/ethnicity groups. However, some demographic groups such as men, individuals age 25 to 44, and Hispanics have been affected disproportionately.

Twelve-Month Moving Average Unemployment Rates by Gender, Age, and Race/Ethnicity (Source: Current Population Survey; 12-Month Average)				
	April-08	April-09	Change	Percent Change
Unemployment rate by:				
All Workers	5.7%	8.6%	2.9%	50.9%
Gender:				
Men	5.8%	9.2%	3.4%	58.6%
Women	5.6%	7.9%	2.3%	41.1%
Age:				
16-19	18.7%	26.8%	8.1%	43.3%
20-24	9.7%	13.9%	4.2%	43.3%
25-34	5.5%	9.0%	3.5%	63.6%
35-44	4.3%	7.2%	2.9%	67.4%
45-54	4.3%	6.3%	2.0%	46.5%
55-64	3.7%	5.6%	1.9%	51.4%
65 and over	5.0%	6.6%	1.6%	32.0%
Race/Ethnicity:				
White	5.5%	8.5%	3.0%	54.5%
Black	9.6%	13.1%	3.5%	36.5%
Hispanic	7.2%	11.4%	4.2%	58.3%

Table 6

Rising unemployment has also affected workers of all educational backgrounds and occupations. All educational groups experienced rising unemployment over the year ending in April 2009. However, the increase in unemployment disproportionately affected the less educated. The unemployment rate increase among those with a Bachelor's degree or higher was significantly less than that of other educational groups.

Twelve-Month Moving Average Unemployment Rates by Educational Attainment and Major Occupational Groups (Source: Current Population Survey; 12-Month Average)				
	April-08	April-09	Change	Percent Change
Unemployment rate by:				
All Workers	5.7%	8.6%	2.9%	50.9%
Educational Attainment:				
Less than a high school diploma	10.3%	15.7%	5.4%	53.0%
High school graduates, no college	7.5%	11.0%	3.5%	46.1%
Some college, no degree	5.6%	8.4%	2.8%	50.0%
Associate degree	3.6%	6.6%	3.1%	85.3%
Bachelor's degree or higher	2.8%	4.5%	1.7%	60.3%
Major Occupational Group:				
Management, business, and financial occupations	2.6%	4.8%	2.2%	82.9%
Professional and related occupations	2.8%	4.3%	1.6%	56.5%
Service occupations	6.3%	7.7%	1.4%	23.2%
Sales and related occupations	5.3%	8.3%	3.0%	57.4%
Office and administrative support occupations	5.1%	8.9%	3.8%	73.5%
Farming, fishing, and forestry occupations	13.6%	23.5%	9.9%	72.6%
Construction and extraction occupations	10.4%	18.1%	7.7%	73.3%
Installation, maintenance, and repair occupations	4.1%	7.9%	3.8%	92.8%
Production occupations	6.8%	10.5%	3.7%	53.8%
Transportation and material moving occupations	7.1%	11.4%	4.2%	59.3%

Table 7

California workers in each major occupational group also experienced rising unemployment over the last year. Generally speaking, unemployment rates were lowest among workers in skilled occupations and highest in less skilled occupations. Workers in less skilled occupations also experienced a more rapid rise in unemployment than workers in skilled occupations.

Mass Layoff Statistics

Mass Layoff Statistics (MLS) provide additional insight into recent economic trends. These data identify, describe, and track large job cutbacks by individual establishments. A potential mass layoff event occurs when an establishment has 35 initial unemployment compensation claims filed against it within a five-week period. A verified mass layoff event occurs when an employer verifies that 50 or more employees were separated from their jobs for more 30 days.

The California MLS data underscore that the effects of the current economic downturn have been widely felt across major industry sectors and subsectors. Industry data show that there were 5,393 potential mass layoff events in California in 2008, an increase of 24 percent over 2007. The rate of increase in the number of mass layoffs in California in 2008 was twice that of 2007.

Number of Potential Mass Layoff Events in California By Industry, 2006 - 2008 (Source: California Employment Development Department, Mass Layoff Statistics Program)						
Industry Sector	Number of Events			Year-Over Change		Two-Year Change
	2006	2007	2008	2006 to 2007	2007 to 2008	2006 to 2008
Agriculture, Forestry, Fishing and Hunting	529	541	563	2.2%	3.9%	6.4%
Mining, Quarrying, and Oil and Gas Extract.	(-)	(-)	(-)	(-)	(-)	(-)
Utilities	6	6	11	0.0%	45.5%	83.3%
Construction	482	558	729	13.6%	23.5%	51.2%
Manufacturing	395	400	600	1.3%	33.3%	51.9%
Wholesale Trade	60	65	106	7.7%	38.7%	76.7%
Retail Trade	326	369	510	11.7%	27.6%	56.4%
Transportation and Warehousing	94	114	175	17.5%	34.9%	86.2%
Information	217	251	328	13.5%	23.5%	51.2%
Finance and Insurance	158	240	210	34.2%	-14.3%	32.9%
Real Estate and Rental and Leasing	27	36	62	25.0%	41.9%	129.6%
Professional, Scientific, and Tech. Services	102	149	223	31.5%	33.2%	118.6%
Management of Companies and Enterprises	(-)	(-)	(-)	(-)	(-)	(-)
Admin. and Support and Waste Management	558	580	743	3.8%	21.9%	33.2%
Educational Services	23	26	36	11.5%	27.8%	56.5%
Health Care and Social Services	101	119	164	15.1%	27.4%	62.4%
Arts, Entertainment and Recreation	98	103	124	4.9%	16.9%	26.5%
Accommodation and Food Services	193	222	309	13.1%	28.2%	60.1%
Other Services	18	24	43	25.0%	44.2%	138.9%
Government	296	313	457	5.4%	31.5%	54.4%
Total	3,683	4,116	5,393	11.8%	23.7%	46.4%
Notes: 1) The symbol (-) indicates that the data do not meet federal or State disclosure standards. 2) A potential mass layoff event occurs when an establishment has at least 35 initial unemployment compensation claims filed against it within a five-week period.						

Table 8

From 2006 through 2008, all California industry sectors and subsectors experienced an increase in the number of potential mass layoff events. The number of mass layoff events in other services; real estate and rental and leasing; and professional, scientific, and technical services more than doubled from 2006 through 2008. Three additional industries experienced an increase in potential mass layoff events of more than 75 percent from 2006 through 2008: transportation and warehousing, utilities, and wholesale trade. In contrast, agriculture, forestry, fishing, and hunting experienced the mildest increase.

The mass layoff events in California from 2006 through 2008 affected workers throughout the labor force. The number of workers affected by mass layoffs nearly tripled from 2006 to 2008. However, their number increased at a faster rate in 2007 than in 2008. The verified mass layoffs events in California over the 2006 to 2008 period affected workers from different demographic groups more or less equally, as seen in the table below.

Demographic Characteristics of Californians Affected by Verified Mass Layoffs, 2006-2008 (Source: California Employment Development Department, Mass Layoff Statistics Program)						
	Number of Affected Workers			Year-Over Change		Two-Year Change
	2006	2007	2008	2006 to 2007	2007 to 2008	2006 to 2008
All Workers	128,800	237,363	371,357	84%	56%	188.3%
<u>Gender</u>						
Male	75,191	145,360	228,490	48%	36%	67%
Female	53,609	92,003	142,867	42%	36%	62%
<u>Age</u>						
Under 30	33,149	61,349	100,569	46%	39%	67%
30 to 44	45,173	86,363	129,625	48%	33%	65%
45 to 54	30,869	55,750	85,187	45%	35%	64%
55 and over	19,503	33,771	55,671	42%	39%	65%
<u>Race/Ethnicity</u>						
White/Non-Hispanic	50,831	94,642	140,152	46%	32%	64%
Black/Non-Hispanic	12,211	21,021	33,241	42%	37%	63%
Hispanic origin	46,572	90,145	141,700	48%	36%	67%
American Indian or Alaskan Native	1,056	1,957	2,923	46%	33%	64%
Asian or Pacific Islander	6,391	11,835	19,965	46%	41%	68%
Notes: 1) This table summarizes the demographic characteristics of workers who filed unemployment claims against employers that were involved in a verified mass layoffs. A verified mass layoff event occurs whenever 50 or more employees are laid off for more than 30 days. 2) Workers who were not classified by demographic characteristic are not shown in this table.						

Table 9

WHAT ARE THE CURRENT AND ANTICIPATED EFFECTS ON EMPLOYMENT BY SECTOR?

Outlook

With severe job losses and rapidly rising unemployment continuing, the outlook for the California economy, and particularly its labor markets, remained uncertain at the beginning of the second quarter of 2009. The emerging consensus was that job losses were expected to continue into first or second quarter of 2010, but gradually diminish in magnitude over time. The pace of job growth was expected to gradually strengthen through the first half of 2011. In turn, the unemployment rate was expected to remain high through the end of 2011, and not fall below double digits until sometime in 2012. Consumers were not expected to drive economic growth as they did in the last expansion, but were instead expected to increase savings and spend more modestly.

Job losses in California's hard hit construction industry were expected to begin abating in the second half of 2009 and into 2010 as the State's housing markets finally hit bottom and began to recover gradually. On the positive side, State and federal stimulus spending for infrastructure was expected to bolster construction employment, particularly in heavy construction. In addition, stimulus monies for energy conservation were expected to boost employment in certain specialty trade contracting industries. However, commercial construction was expected to remain weak through much of 2010.

Educational and health services were expected to continue to be a source of strong job growth into the foreseeable future due to demographic factors such as the aging baby boom population. State and federal investments in education and health care were expected to further bolster job growth.

Over the longer term, it is important to note that the current economic downturn, although severe, is a cyclical event. California's comparative economic advantage, primarily its entrepreneurial and innovative spirit and highly skilled and educated workforce, remains strong but must be nurtured and expanded over the long run. Also, California appears to be particularly well positioned to take advantage of increased federal investment in fuel efficiency and green technologies.

WHAT ARE THE CURRENT AND PROJECTED DEMOGRAPHICS OF THE AVAILABLE LABOR POOL?

Demographic Overview

California is the nation's most populous state, with the California Department of Finance estimating 38.3 million state residents as of January 1, 2009. California no longer has one ethnic group comprising a majority of its population. The 2000 census reported that 47 percent of residents were white, 33 percent Hispanic, 11 percent Asian, and 6.5 percent black. Not surprisingly, California also has the nation's largest labor force and working-age population. In April 2009, the EDD reported a working-age population (civilian, non-institutional, persons age 16 years and over) of 28.1 million, of which 18.5 million were in the labor force – 16.9 million employed and 1.6 million unemployed (all figures are 12-month moving averages, not seasonally-adjusted). This translates into a labor force participation rate of just under 66 percent.

Age, Ethnicity, and Educational Characteristics of the California Labor Pool

The demographic composition of California's labor pool differs in two main respects from the nation as a whole. First, it is slightly younger and second, it has a substantially larger percentage of Hispanics. These two differences are projected to continue into the next decade. California also has a highly skilled labor force, but one that contains a large number of foreign born and non-English speaking residents.

Age

In April 2009, 37.3 percent of the California labor force was 34 years old or younger, compared to 35.3 percent for the entire nation. Conversely, 39.5 percent of the California labor force was 45 years of age and older, compared to 42.3 percent for the nation (all April 2009 figures are not seasonally-adjusted). However, while slightly younger, California's labor force will still experience the national phenomenon of an aging labor force. California's working-age population is projected to grow by 4.1 million, from approximately 29.5 million in 2008 to 33.6 million in 2018 (see Table 10). Only 247,000 of this 4.1 million increase (or 6 percent) is from people aged 16-24, while almost 3 million of the 4.1 million (or 72 percent) is from people aged 55 years and older. Labor force participation rates are generally highest in the 25-54 years age category, usually around 80 percent, whereas the rates are much lower for the youngest and oldest workers, around 40 percent for those ages 16-24 and 30 percent for those 55 years and older.

Ethnicity

California has a highly diverse population and labor force, especially compared to the nation as a whole. For example, Hispanics comprised 34.5 percent of the California labor force in April 2009, compared to 14.5 percent for the nation. Broken out by the most prevalent ethnicity and race, the California labor force was 43.8 percent white, 34.5 percent Hispanic, 12.2 percent Asian, and 6.1 percent black. For the nation, it was 67.0 percent white, 14.5 percent Hispanic, 11.5 percent black, and 4.6 percent Asian (all April 2009

figures are not seasonally-adjusted). In 2018, the projected California working-aged population will have an even greater representation of Hispanic persons, with 37.3 percent projected to be Hispanic, a little less than the 41.1 percent figure for Whites. The Asian working-aged population is forecast to be 12.9 percent and the Black population 5.5 percent (see Table 10).

Table 10

DEMOGRAPHICS OF CALIFORNIA LABOR POOL WORKING-AGE POPULATION (AGE 16 & OVER) 2008 AND 2018				
Demographic	Number of Persons-2008	Percentage of Persons	Number of Persons-2018	Percentage of Persons
<i>Ethnicity/Race</i>				
White	13,741,806	46.6%	13,825,604	41.1%
Hispanic	9,526,152	32.3%	12,527,316	37.3%
Asian	3,664,014	12.4%	4,348,481	12.9%
Black	1,769,651	6.0%	1,860,422	5.5%
All Others	761,641	2.6%	1,043,453	3.1%
Total	29,463,264	100%	33,605,276	100%
<i>Age</i>				
16-24	5,163,617	17.5%	5,410,375	16.1%
25-54	16,155,407	54.8%	17,075,274	50.8%
55 and older	8,144,240	27.6%	11,119,627	33.1%
Total	29,463,264	100%	33,605,276	100%

SOURCE: California Department of Finance. Percentages do not always equal 100 percent because of rounding.

Education

The California labor force is highly skilled. Based on results from the 2005-2007 American Community Survey (ACS), one-third (33.4 percent) of employed Californians 25 to 64 years old had a bachelor's degree or higher and another 29.3 percent had some college or an associate's degree. On the other hand, there were a large number of California adults with little education (15.9 percent of workers 25 to 64 years had not received a high school diploma or GED). The employment opportunities of many adults may also be limited by poor English skills. The 2007 ACS reported that 20 percent of all Californians speak English less than "very well."

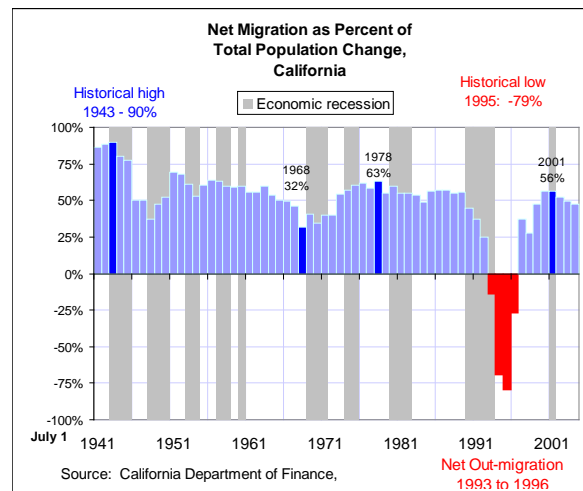
Effects of "in migration" or "out migration" on the labor pool

California experiences migrant flows that impact the labor pool. From 1975 to 2004, net migration (in-migration less out-migration) exceeded 200,000 persons per year in 23 out of the 30 years. Net migration accounted for more than half of the State's population growth in 17 of the 30 years and for at least a quarter of the total change in 26 of these 30. However, net migration has slowed since 2005 due to increased domestic out-migration.

Historically, net in-migration has contributed to half of the State's labor force growth. Net in-migration (in-migration less out-migration) has been an engine of California labor force growth since the settlers and gold miners of the 1800s.

As recently as 2004 (July 1, 2003 to July 1, 2004) net in-migration contributed 210,000 new California residents. This was 41 percent of the total population increase of 510,000. This estimate includes all legal and unauthorized foreign immigrants, residents who left the State to live abroad, and the balance of people moving to and from California within the United States. However, California's rate of net in-migration has slowed in recent years due to domestic out-migration. In 2008 (July 1, 2007 to July 1, 2008), net in-migration contributed 107,000 new California residents. This was 24.5 percent of the total population increase of 436,000.

Net migration⁶ accounted for the majority of California population increases throughout its history. The above graph depicts State population change from 1941 to 2004. Net migration was the majority source of population change in 42 of these 64 years.



³ As opposed to natural increase, births less deaths.

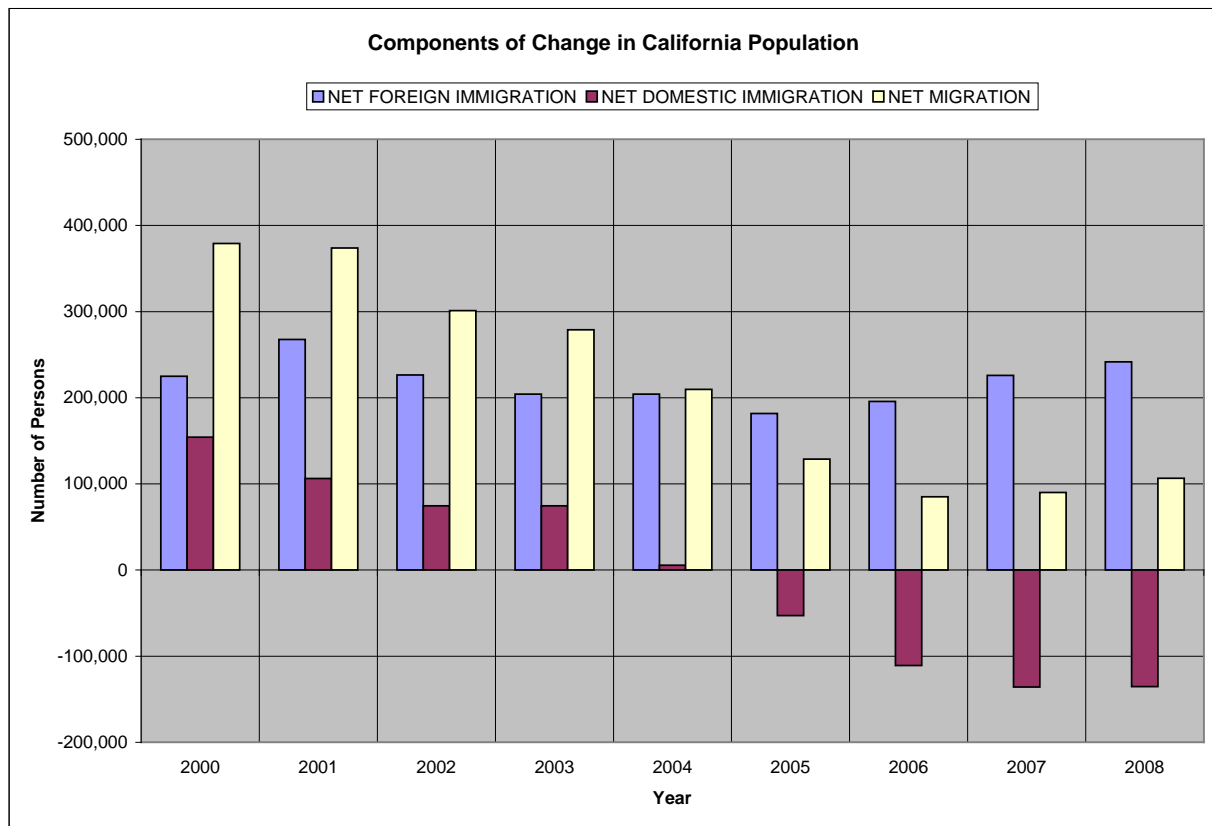


Table 11: Source: California Department of Finance.

Traditionally, international and domestic net migrations to the State have been positive, with international net migration the larger of the two. However, domestic net migration, which varies more year-by-year according to economic conditions, turned negative in recent years.

From July 2007 to July 2008, net immigration, the sum of movements between California, other states, and foreign countries, contributed 107,000 persons, or 24.5 percent of the overall population growth. Whereas net international immigration contributed 242,000 new Californians, domestic net out-migration totaled 135,000.

As the chart above illustrates, net international immigration has been relatively stable, hovering around 200,000 persons in most years since 2000. In contrast, domestic migration has varied considerably, from a net out-migration of 135,000 to net in-migration of 154,000.

California experienced seven years of domestic net out-migration from 1992 through 1998, following the 1990-93 recession. That recession was more severe and protracted in California than in any other state in the nation. California's high costs of living, and more particularly, its high housing costs, were a key contributing factor to the domestic out-migration in 2005 and 2006. And given the current recession, which formally began in December 2007, we should expect to see continuing high levels of domestic out-migration in the foreseeable future.

Compared to the existing population, migrants are more likely to be in the ages of high labor force participation.

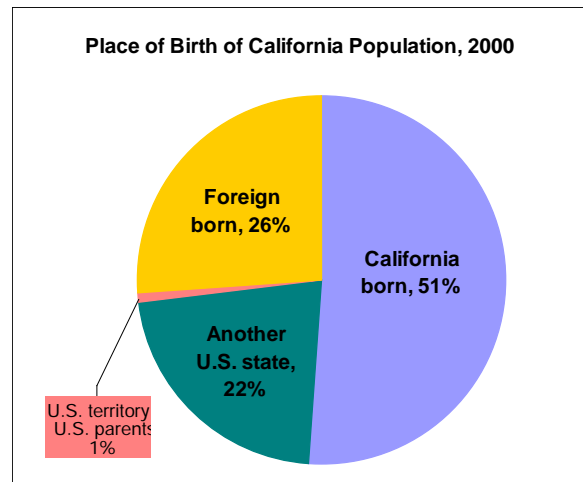
In April 2009, over one-quarter of Californians who lived here in the preceding year were 55 years and older – an age when labor force participation is very low. Just under two-thirds of this population was ages 20 to 54 years. On the other hand, 72 percent of Californians who moved from other countries were ages 20 to 54 years. This age group made up a similarly large share of Californians who had moved from another state in the last year.

As a result of high annual in-migration, almost half of the California population was born outside the state.

Migration is a flow concept. The cumulative effect of the large numbers of migrants is seen in data relating to the entire population – a stock concept. As the chart at right illustrates, as of the 2000 Census, 22 percent of California residents had been born in another state and 26 percent had been born in another country.

California is a diverse state where the in-migration and out-migration of the labor force varies from area to area.

Forty-seven of California's 58 counties experienced population growth from 2007 to 2008. International immigration contributed to population growth in all 58 counties. By contrast, 34 of California's 58 counties experienced net domestic out-migration. Both coastal, highly urban counties and interior, rural regions lost domestic migrants. However, Los Angeles County somewhat distorts the results, accounting for 74 percent of all domestic out-migration (100,000 out of 136,000 persons). Conversely, Los Angeles County accounted for 34 percent of all foreign in-migration (82,000 out of 242,000). Because of differences in local area labor markets, Local Boards should address the needs of their migrant populations individually.



Implications/Issues

A number of implications or issues arise when examining California's available labor pool both now and over the next decade. These relate both to age and ethnicity. While California will likely have a younger labor pool than other states in the next decade, it will still have to deal with an aging labor force, and the challenges that it can produce. More specifically, how does California replace aging workers? Some possible answers are to: 1) ask or provide incentives for older workers to work longer, 2) target training of younger workers to industries especially threatened by an aging labor force, 3) encourage more immigration from other states, and 4) mobilize and develop underemployed or undereducated Californians to replace the aging workforce.

Regarding ethnicity, California's diverse population presents both challenges and opportunities. Its diverse population reflects the fact that many people throughout the world see California as a "land of opportunity," one that welcomes outsiders and offers them chances to succeed that are difficult to match elsewhere. Therefore, California starts out with a natural recruitment advantage that can be tapped if needed. On the other hand, there are challenges that a diverse labor force uniquely presents. For example, foreign immigrants often lack English-language skills, which can initially limit their opportunities. Moreover, they sometimes have difficulties adapting to American culture.

What steps does the State need to take to address these challenges? Two easy to suggest, but not always easy to implement, answers are to: 1) offer more English-as-a-Second Language courses, and 2) develop and employ managers, supervisors, and trainers who are culturally attuned or sensitive to their diverse labor force.

DESCRIBE ANY SKILLS GAPS THAT CALIFORNIA EMPLOYERS MAY EXPERIENCE BASED ON SKILLS HELD BY CURRENT AND EXPECTED DISLOCATED WORKERS.

Despite economic changes, the foundation skills needed by most occupations in the 2009 growth industries—for example, health care and social assistance, and educational services—are skills many workers already possess.

Table 12

Top Skills Required in Growth Industries

Health Care and Social Assistance	Educational Services
Reading Comprehension	Active Listening
Active Listening	Reading Comprehension
Instructing	Speaking
Speaking	Critical Thinking
Social Perceptiveness	Social Perceptiveness
Writing	Instructing
Critical Thinking	Learning Strategies
Coordination	Writing
Learning Strategies	Monitoring
Time Management	Active Learning
Active Learning	Coordination
Monitoring	Time Management
Service Orientation	Service Orientation
Judgment and Decision	Persuasion
Making	Complex Problem Identification
Persuasion	

Source: EDD/Labor Market Information Division. Ranked in order of importance.

These same skills also dominate the skills required for occupations showing the highest unemployment levels between February 2008 and February 2009. (See Attachment A)

- *Active listening* – Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.
- *Coordination* – Adjusting actions in relation to others' actions.
- *Critical thinking* – Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions, or approaches to problems.
- *Instruction* – Teaching others how to do something.
- *Learning strategies* - Selecting and using training/instructional methods and procedures appropriate for the situation when learning or teaching new things.
- *Judgment and decision-making* – Considering the relative costs and benefits of potential actions to choose the most appropriate one.
- *Mathematics* – Using mathematics to solve problems.
- *Reading comprehension* – Understanding written sentences and paragraphs in work-related documents.
- *Social perceptiveness* -- Being aware of others' reactions and understanding why they react as they do.
- *Speaking* – Talking to others to convey information effectively (in most instances, the ability to communicate in English is explicitly stated or inferred).
- *Time management* – Managing one's own time and the time of others.

Being more specific, the health care industry offers an occupational spectrum few industries match, from dishwasher to plumber to medical records technicians. While many positions require advanced degrees, workers from diverse occupations and industries possess foundation skills for a successful transition to health care services. Individuals enhancing their present skills with additional training may find their skills foundation already well laid. Opportunities exist in health care for all levels of education. See [Health Care Industry Careers--Room to Learn and Grow.](#)

Table 13

Education and Training Range	
Health Care and Social Assistance Workers	
California 2006	
<u>Training Levels</u>	<u>Number of Workers</u>
Short-term on-the-job training	248,700
Moderate on-the-job training	158,700
Long-term on-the-job training	8,400

Work experience	38,000
Post-secondary vocational training	154,200
Associate degree	249,000
Bachelor's degree	89,100
Work experience plus a Bachelor's degree or higher	39,300
Master's degree	52,300
Doctoral degree	4,500
LLD/MD degree	24,800

Source: EDD/Labor Market Information Division.

Skills gap identification calls for specificity—occupation to occupation and worker to occupation. Individuals offer skills developed over their composite work history, education, and training. Occupational information available from the EDD's Labor Market Information Division and the U.S. Department of Labor assists assessment and identification of skills gaps for both individuals and employers.

The Constantly Churning Labor Market

It should also be pointed out that even economies in recession create job opportunities. Job search workshop leaders often remind job seekers to look beyond the headlined unemployment statistics because each person needs only to find a single job. Even in times of high unemployment, like the times we are experiencing now, the labor market constantly churns. Workers leave jobs for personal reasons, better opportunities, health, or retirement, leaving a void that needs to be filled.

Labor market churning is evidenced by contrasting Attachment A, *Top Five Skills of High Unemployment Occupations, February 2008-February 2009*, with Attachment H, *Comparison of Growing Occupations in California, 2006-2016*. Nine of the same occupations appear in both tables; one table reflecting high layoffs in the past year, and the other high employment opportunities projected in the 2006-2016 ten-year period.

Industry and Occupational Employment Projections

Describing skills gaps facing California employers also requires a detailed discussion of which industries and occupations are currently experiencing growth or decline, as well as which ones are projected to grow or decline. The following pages present both short-term and long-term industry and occupational projections.

What industries and occupations are projected to grow and/or decline in the short term and over the next decade?

The EDD's Labor Market Information Division (LMID) currently produces California short-term (two-year) projections annually and ten-year projections for California and local areas biennially. In 2008, LMID produced California 2007-2009 and 2006-2016 industry and employment projections.

A. California 2007-2009 Projections

Industry

For the short-term projection period, EDD forecasted nonfarm employment to reach approximately 15.3 million jobs by 2009. About 75 percent of nonfarm job growth was forecasted to occur in Professional and Business Services, Education and Health Services, and Leisure and Hospitality. Based on the various effects on the economy in evidence at the time, jobs losses were forecasted in Construction, Financial Activities, Manufacturing, and Retail Trade. (See Attachment B, *California 2007-2009 Industry Projections, Industry Sector Growth/Decline.*)

Occupations

The top 50 occupations with the most job openings are expected to contribute about 63 percent of all job openings during the forecast period. Forty four occupations are forecasted to have more job openings from replacements than from employment growth. Net replacements measure the number of workers needed to replace those that have left the labor force or have changed occupations. An aging workforce combined with slow economic growth is shifting openings from new jobs to replacements. Even occupations with no growth, such as Cashiers and General Managers, are forecasted to have thousands of job openings due to replacement needs.

The 20 Occupations with the Most Openings. Each occupation is expected to generate over 9,000 job openings. Fifteen of the twenty occupations require short-term on-the-job training with median hourly wages ranging from \$8.36 to \$13.17. Entry level occupations include Cashiers, Retail Salespersons, Waiters and Waitresses, and Counter Attendants. Higher skilled and higher paying occupations such as Registered Nurses, Teachers, and Managers are also forecasted to have a substantial number of job openings. (See Attachment C, *California 2007-2009 Occupational Projections, Top Twenty Occupations with the Most Openings.*)

B. California 2006-2016 Projections

Industry

Over the longer term, EDD forecasts California's nonfarm employment to grow at an average annual rate of about 1.5 percent to reach 17.4 million by 2016. Attachment D, *California 2006-2016 Industry Projections, Industry Sector Growth/Decline* shows the long term distribution of new jobs across industries. About 87 percent of all new nonfarm jobs are expected to occur in the following industry sectors:

- Professional and Business Services
- Government (includes public education)
- Health Care and Social Assistance
- Accommodation and Food Services
- Retail Trade
- Construction
- Wholesale Trade
- Educational Services (Private)

Professional, Scientific and Technical Services is the fastest growing sector and is expected to gain over 293,000 jobs, representing an annual growth rate of almost 2.9 percent, well over the annual average growth rate for all nonfarm jobs. The largest component within this sector is the Computer Systems Design and Related Services industry, which is anticipating growth of over 87,000 new jobs or about 4.7 percent per year based on annual averages.

Health Care and Social Assistance is expected to grow at about 2.3 percent annually as this sector expands, in large part due to the increased demand for these services from an aging population. Health-related industries with the fastest annual growth rates include home health care services (4.5 percent), community care facilities for the elderly (4 percent), offices of other health practitioners (3.6 percent), and outpatient care centers (3.5 percent). Anticipated federal funding to preserve and improve affordable healthcare may add to this sector's growth.

Within the Government sector, Local Government is expected to add the most new jobs, about 323,000, largely driven by gains in Local Education employment as the California population expands, resulting in increased demand for public education.

The Construction industry experienced exceptional growth from 1996-2006, averaging approximately 8 percent annual growth rate during the building boom. The 2006-2016 forecast calls for more modest growth as the mortgage crisis and economic slump continue to adversely affect the housing market and construction employment. However, California's share of the federal stimulus package may bolster construction employment growth as funds are received to improve highways, roads, and bridges, and perform modernization and weatherization repairs. In addition, the infrastructure bonds recently approved by California voters are expected to infuse funds into the construction industry, in particular the Heavy and Civil Engineering Construction sector.

Manufacturing, one of California's largest industry sectors (1.5 million jobs), is expected to continue to decline during the outlook period after a steady string of job losses that began most recently in 2000 and

has continued through 2006. Declining manufacturing industries include apparel, computer and electronic products, printing and related support activities, and plastic and rubber product production.

Occupations

Many employment opportunities exist in California for workers, regardless of their level of education and training. In California two out of every five jobs only require short-term on-the-job training. Conversely, one out of every five jobs require a bachelor's degree or higher. Attachment E, *California 2006-2016 Occupation Projections, Average Annual Job Openings by Education and Training Level*, provides the number of California's job openings by education and training level.

The top 50 occupations with the most job openings will generate over half of all job openings in California during the forecast period. These 50 occupations are expected to generate over 3.3 million total job openings consisting of 1.3 million openings from new jobs and 2 million openings due to net replacements. Net replacements measure the number of workers needed to replace those that have left the labor force or have changed occupations.

The top ten occupations with the most job openings will provide over 1.4 million job opportunities. Job opportunities in lower-skilled occupations include Retail Salespersons, Cashiers, and Waiters and Waitresses. Higher-skilled occupations such as Registered Nurses and Elementary School Teachers are also forecasted to have a substantial number of openings. Attachment F, *California 2006-2016 Occupation Projections, Top Ten Occupations with the Most Job Openings*, illustrates the total job opportunities generated by new jobs and replacement needs for each occupation.

The top 50 fastest growing occupations are each expected to grow at a rate of 24 percent or more over the ten-year period. These occupations are concentrated in the healthcare, education, and computer related fields. Examples of wages and training levels for these occupations include:

- Over \$15.00 an hour for Dental Assistants and Pharmacy Technicians requiring moderate-term on-the-job training,
- Over \$37.00 an hour for Registered Nurses and Dental Hygienists requiring an associate's degree,
- Over \$40.00 an hour for Physician Assistants and Computer Software Engineers requiring a bachelor's degree, and
- Over \$58,000 per year for Elementary School, Middle School, and Special Education Teachers requiring a bachelor's degree.

The ten fastest growing occupations are growing at rates ranging from 32.8 to 58.8 percent over the ten-year period and represent 172,000 total job opportunities. Half of these occupations require a bachelor's degree or higher. Occupations that do not require a college degree include Home Health Aides, Dental Assistants and Medical Assistants. Attachment G, *California 2006-2016 Occupation Projections, Ten Fastest Growing Occupations*, displays the occupations by growth rate.

In what industries and occupations is there a demand for skilled workers and available jobs, both today and projected over the next decade?

The U.S. Bureau of Labor Statistics (BLS) facilitates occupational analysis as it classifies occupations in three ways:

By an occupational code (the Standard Occupational Code) – The occupational code links an occupation with other similar occupations;

- By the industry (the North American Industry Classification System code) – The industry code points to the industry or industries that employ workers in the occupation; and
- By the education/training level typically required for each occupation (one of 11 levels).

These 11 training levels allow for general comparisons of occupational skill requirements across occupations and industries. This analysis uses occupational growth trends for the occupations with higher training levels as a proxy for a demand for skilled workers. The 11 training levels, from most- to least-skilled, are:

- First professional degree,
- Doctoral degree,
- Master's degree,
- Bachelor's degree or higher plus work experience,
- Bachelor's degree,
- Associate degree,
- Post-secondary vocational training,
- Work experience in a related occupation,
- Long-term On-the-Job Training [OJT] (12 months or more),
- Moderate-term OJT (one to 12 months), and
- Short-term OJT (one month or less).

Selecting a training level to serve as the bottom-most proxy for skilled workers is a judgment call; California proposes to define the skilled floor at the “long-term OJT” level. This brings in skilled crafts and trades workers such as carpenters, who often serve an apprenticeship, as well as law enforcement personnel who attend extensive peace officer standards training.

Attachment H, *Comparison of Growing Occupations in California, 2006-2016*, provides a detailed listing of the projected top growing occupations sorted by training level, and includes forecasted numerical growth and growth rate across all industries. An analysis of the top occupations by training level is provided below.

Work experience in a related occupation. The largest growth occupations at this level are first line supervisors/managers, broken out by the industry in which they work, such as retail sales, food preparation, office and administrative, or construction trades. Detectives and criminal investigators, construction and building inspectors, and self-enrichment teachers join first-line supervisors/managers on the list of fastest growing occupations at this level.

Post-secondary vocational training. Top-growth occupations at this level are automotive service technicians and mechanics (automotive industry); preschool teachers (education); hairdressers, hairstylists, and cosmetologists (personal care services); medical secretaries; and licensed practical and licensed vocational nurses (health care). The fastest growth occupations at this level also include vocational education teachers, postsecondary, (education); manicurists and pedicurists (personal care services); surgical technologists (health care); and massage therapists (personal care services).

Associate degree. Occupations in the health care industry, for example, registered nurses and dental hygienists, dominate the list of largest growth occupations at this level. Computer support specialists, paralegals and legal assistants, and insurance sales agents round out the list of the largest growth occupations. Three of the five fastest growing occupations are in health care—veterinary technologists and technicians, dental hygienists, and registered nurses. Biological technicians and paralegal and legal assistants round out the list of fastest growing occupations requiring an associate degree.

Bachelor's degree. Occupations in the education and information technology industries dominate both the largest and fastest growth occupations requiring a bachelor's degree. Elementary school and secondary school teachers are among the top five largest growth occupations, along with computer software engineers, applications; network systems and data communications analysts, and accountants and auditors. All of the fastest growing occupations are in either education or information technology – network systems and data communications analysts; computer software engineers, applications; graduate teaching assistants; special education teachers; and multi-media artists and animators.

Bachelor's degree or higher plus work experience. Based upon the top five occupations, this tends to be a “management” level, which spans a variety of industries. The top five largest growth occupations at this level include management analysts, general and operations managers, financial managers, sales managers, and computer and information systems managers. The top five fastest growth occupations overlap this largest growth list, with computer and information systems managers, and management analysts on the list. Natural sciences managers and education administrators complete the fastest growing occupations at this level.

Master's degree. The top largest growth occupation at this level is market research analyst. The remaining top four largest growth occupations requiring a master's degree are professional occupations in the educational or health care industry – educational, vocational, and school counselors; physical therapists; instructional coordinators; and substance abuse and behavioral disorder counselors. The fastest growth occupations requiring this educational level are also in the health care and educational industries. The top five fastest growth occupations are substance abuse and behavioral disorder counselors; postsecondary health specialties teachers; postsecondary art, drama, and music teachers; physical therapists; and instructional coordinators.

Doctoral degree. The three occupations with both the largest and fastest growth requiring a doctoral degree are medical scientists, except epidemiologists (health sciences); clinical counseling and school psychologists (education); and computer and information scientists, research (information technology).

First professional degree. At this level, most of the same occupations appear in both the largest and fastest growth list. Lawyers, pharmacists, dentists, veterinarians, and family and general practitioners are the top growing occupations at this skill level. Four of these five occupations are in the health care industry. Lawyers are employed across various industries. The fastest growing occupations include

veterinarians, pharmacists, psychiatrists, lawyers, and dentists. Again, these occupations are found predominately in the health care industry.

For the most part, occupations projected to grow in the next decade are in demand today and in the immediate future. Of these, the top ten largest-growth skilled occupations in California are expected to generate approximately 296,000 new jobs in the forecast period. One occupation requires long-term on-the-job training, one requires an associate degree, and the remaining occupations require a bachelor's degree. Table 12 lists these top-growth skilled occupations.

Table 14

Skilled Occupations with the Most Growth		
Occupational Title	2006-2016 Growth	Education/Training Level
Registered Nurses	59,600	Associate Degree
Elementary School Teachers	51,300	Bachelor's Degree
Computer Software Engineers, Applications	41,100	Bachelor's Degree
Accountants and Auditors	33,200	Bachelor's Degree
Carpenters	25,700	Long Term OJT
Secondary School Teachers	21,500	Bachelor's Degree

Network Systems and Data Communications Analysts	17,000	Bachelor's Degree
Management Analysts	16,800	Bachelor's Degree plus Work Experience
Computer Systems Analysts	15,200	Bachelor's Degree
Computer Software Engineers, Systems Software	14,700	Bachelor's Degree

Source: State of California, Labor
Market Information Division

California 2006-2016 Occupation
Projections

What Jobs/Occupations are Most in Demand?

While demand exists for many jobs, the largest demand continues for health care and education workers to serve California's growing population. Further, as the economy begins its inevitable rebound, a growing number of aging workers will retire, requiring the need for replacement workers across all industries.

Online job boards still abound with requests for workers, notably managers and computer professionals required to do work that will subsequently fuel the need for manufacturing, sales, and office workers. *WANTED Analytics 2.0*, a data research tool that compiles, analyzes, and categorizes job listings from many online job boards including JobCentral, Monster, CareerBuilder, and Craigslist, ranks occupations by the most job openings within a 90-day period. California's recent top job listings are reported in Table 3 below.

Table 15

Top 25 Occupations in California with the Most Online Job Openings <i>Last 90 Days ending April 13, 2009</i>	
Occupation	Number of Job Openings
Registered Nurses	35,057
Computer Specialists	21,116
Computer Software Engineers, Applications	17,614
Executive Secretaries and Administrative Assistants	16,206
Computer Systems Analysts	15,196
Sales Managers	13,630
Customer Service Representatives	13,467
Marketing Managers	12,934
Financial Managers	12,692
Accountants	12,098
Retail Salespersons	11,978
First-Line Supervisors/Managers of Retail Sales Workers	11,957
Sales Representatives, Except Technical and Scientific Products	11,912

Medical and Health Services Managers	10,317
Telemarketers	9,429
Computer Support Specialists	9,254
Bookkeeping, Accounting, and Auditing Clerks	8,885
Office Clerks, General	8,126
Physical Therapists	7,779
Tellers	7,757
Insurance Sales Agents	7,648
Office and Administrative Support Supervisors/Managers	7,594
Securities, Commodities, and Financial Services Sales Agents	7,528
Industrial Engineers	7,389
General and Operations Managers	7,177

Source: WANTED Technologies

Occupations listed on job boards somewhat reflect the workforce demand; however, many job openings are not advertised or are circulated off-line to a limited audience such as union members.

Newly allocated stimulus funding is expected to create jobs for workers in other industries, most notably construction, clean technology, and manufacturing. For example, the California education sector will receive over \$2 billion in American Recovery and Reinvestment Act (ARRA) monies to fund school construction, rehabilitation, repair, or site acquisition. This will provide jobs to a variety of crafts and trades workers who may be currently unemployed or in danger of losing their jobs.

A. Jobs in Health Care and Social Assistance

Health care is the ultimate “social service” industry, reflecting the demands of a growing and aging population, both in California and across the nation. California is facing a nursing shortage that is expected to widen over the next two decades, along with a growing demand for other health caregivers and social service assistants. The top five highest growth occupations in this industry include registered nurses, medical secretaries, medical assistants, licensed vocational nurses, and home health aides.

The demographics of an aging baby boom population will continue to drive employment growth in health care and social assistance occupations. Also, federal stimulus funds of approximately \$15 billion for health and human services are expected to further enhance health care and social assistance industry employment in California. (See Table 16).

Stimulus funding is anticipated to expand job growth across the health care and social assistance industry sector, including occupations not usually associated with Health and Human Services, such as those in information technology and construction.

Table 16

<i>Projected Federal Stimulus Funding Related to Jobs in Health</i>	
<i>Health and Human Services: California's Estimated Share, Approximately \$15 Billion</i>	
Programs	Possible Occupations Positively Affected
TANF Contingency Fund	Social and Human Service Assistants and Government Program Eligibility Interviewers.
Community Services Block Grant	
Legal Immigrants Medicaid/Healthy Families Program	
Social Security Disability Case Processing	
Transitional Medical Assistance	
Medicaid Eligibility Determinations for Indians	
Prevention and Wellness Fund	Registered Nurses; Nursing Aides;
Vocational Rehabilitation Services	Medical and Public Health Social Workers; Rehabilitation Counselors; Vocational Education Teachers, Postsecondary; and Occupational Therapists.
Disproportionate Share Hospital Funding	
Disabilities Education Act	
Independent Living Centers	
HITECH Act	Computer Software Engineers, Applications;
USDA-WIC	Computer Systems Analysts; and Computer Software Engineers, Systems Software.
Department of Energy Weatherization Assistance Program (Medical Centers)	Construction Managers, Carpenters, Construction Laborers, Insulation Workers, Hazardous Materials Removal Workers, and Environmental
Community Health Centers/Construction	

Modernization	Compliance Inspectors.
Healthy Homes and Lead Hazard Control Program	
Child Care and Development Block Grant	Child Care Workers; and Education Administrators, Preschool and Childcare Center Programs.
Meals on Wheels	Cooks, and Light Truck and Delivery Drivers.

B. Jobs in Education Services – Private and Public

Education is a powerful tool to lay a foundation for sustained economic growth. Education includes instruction and training in a wide variety of subjects. Private education is expected to continue to be a source of job growth.

Nearly \$12 billion of the ARRA funding is slated for public education. Some of the monies will be used to restore state funding to public education 2008 levels for kindergarten through 12th grade, higher education, and early childhood development. In addition, monies are expected to fund school construction, repair, or site acquisition. It is also anticipated that Title 1 schools will receive funding to meet the educational needs of low-achieving children, close the achievement gap between high- and low-performing children, and improve the academic achievement of all students. Individuals with Disabilities Education Act (IDEA) funds will improve outcomes for infants, toddlers, children, and youths with disabilities. IDEA funds will also establish pre-kindergarten to college and career data systems that track progress.

Federal stimulus funds for education may create and retain employment in occupations such as teachers (elementary, secondary, special education, and vocational), as well as teacher assistants, office and administrative support workers, and food service workers.

Table 5 displays some of the Education-related programs funded by the ARRA and jobs that may be created or retained from such funding.

Table 17

<i>Projected Federal Stimulus Funding Related to Jobs in Education</i>	
<i>Education: California's Estimated Share, Approximately \$12 Billion</i>	
Programs	Possible Occupations Positively Affected
State Fiscal Stabilization Fund – State Allocations – Restoration of K-12 and CSU/UC	Teachers (Preschool, Elementary, Secondary, Postsecondary, and Vocational Education), Teacher Assistants, Education Administrators, Office Clerks, Administrative and Office Support Workers, and Food Service Workers.
Tax Credit Bonds (school restoration and acquisition)	Construction Managers, Carpenters, Construction Laborers, Insulation Workers, Hazardous Materials Removal Workers, Environmental Compliance Inspectors, Electricians, Glaziers, Heating and Air Conditioning Mechanics, Plumbers, Roofers, Associated Trades Helpers, and Office and Administrative Support Workers.
Title 1 - Grants to LEAs and School Improvement (Targeted Grant, Finance Incentive Grant, and School Improvement Grant)	Teachers (Preschool, Elementary, Secondary, Postsecondary, and Vocational Education), Teacher Assistants, Education Administrators, Office Clerks, Administrative and Office Support Workers, and Food Service Workers.
IDEA – Part B – Special Education Grants	Special Education Teachers, All levels; Occupational Therapists; Speech-Language Pathologists; Computer Programmers; Computer Software Engineers, Applications; Computer Systems Analysts; and Computer Software Engineers, Systems Software.

C. Green Jobs

A continuing theme in the federal stimulus package is the goal for greater energy efficiency and energy independence. Four areas of the green economy that stand to see job growth and savings are smart grid transmission and research, renewable energy, energy efficiency, and weatherization.

Smart Grid

Stimulus funding is available for research and development to continue in this “nearly-there” technology. This will require electrical and mechanical engineers, as well as computer scientists and programmers. Additionally, transmission line workers, electricians, electrician’s helpers, and meter installers will be needed to get residences and businesses linked to the system. Meters and other possible add-ons at consumer sites will eventually lead to secondary occupations to include team assemblers for manufactured goods.

Renewable Energy

Rising energy costs and global warming increase the urgency to find renewable energy sources and bring them to California. Stimulus funding in the form of renewable energy transmission projects, tax credits, and other sources such as monies from California Assembly Bill (AB) 118 [Chapter 750, Statutes of 2007], will provide job opportunities for workers at many training levels in this sector. Professional and skilled jobs include electrical, chemical, and environmental engineers, urban planners, and chemical and engineering technicians. For example, the energy sector of the stimulus package provides for continued research into advanced battery technologies, as well as energy efficiency innovations and renewable energy products.

Considerable resources in the form of incentives are now offered to those who purchase natural gas vehicles for their fleets of buses or trucks as provided through AB 118. While most of these vehicles are manufactured outside of the state, the downstream job needs will include bus and truck mechanics skilled in alternative fuels, as well as fueling station workers and crafts and trades workers needed include solar panel installers, wind turbine technicians, electricians, roofers, plumbers, and the associated trades helpers necessary for project installations and clean-up. Vocational education teachers are also needed to ready workers with the new technologies.

Weatherization

The stimulus plan calls for no-charge or low-cost weatherization work to low-income households and other facilities. This should offer respite to skilled workers currently dislocated from the construction industry. Professional jobs will include energy auditors and construction managers (who can quickly be re-skilled to lead these large projects). Team members will include heating and air conditioning mechanics, insulation workers, roofers, glaziers, and associated trades helpers. Secondary occupations to benefit may include hazardous waste removal workers, and refuse and recyclable material collectors.

Energy Efficiency

The energy efficiency sector of “green” covers a broad spectrum of activities, from the design, manufacturing, and installation of green products, to the construction of energy-efficient high rises powered by renewable energy.

Federal stimulus and other funding exist for some of this “green” sector and is available in the housing, education, and energy sectors. For example, housing and education funds provide for projects to retrofit and repair schools and other publicly-owned structures. Today’s retrofit projects are all about energy efficiency, which will require engineers and construction managers with knowledge in sustainability planning and practices. Training in Leadership in Energy and Environmental Design (LEED) certification and other methods of sustainable building will be necessary for some of these workers. In addition to opportunities for construction workers, management and support jobs will be needed to administer large projects. These may include business operations specialists, secretaries, and office clerks.

The energy sector in the stimulus package provides funding for “electrification” projects, which includes the building of vehicle-charging stations along highways and designated locations. Another project funded through AB 118 involves bringing electrical power sources to California ports so that diesel-powered ships need not idle their engines while docked in order to maintain needed power. These projects will require power line installers, electricians, programmers, and construction jobs.

Table 18 summarizes green jobs available in the sectors described above.

Table 18

<i>Projected Federal Stimulus Funding Related to Green Jobs</i>		
V. GREEN SECTOR	VI. STIMULUS PROGRAMS	VII. POSSIBLE OCCUPATIONS CREATED OR SAVED
<i>D. Renewable Energy</i>	Research and development of alternative energy sources and technologies	Biomass Collectors,
	Advanced battery manufacturing and development of related supporting software	Chemical Engineers ,
	Research in electric technologies for use in vehicles	Computer Programmers, Electrical Engineers,

	Projects to install fuel cells and solar, wind, and biomass power in government buildings	Engineering Technicians, Plumbers and Pipefitters, Software Engineers, Solar Technicians (PV and Thermal), Team Assemblers, and Wind Turbine Technicians.
E. Smart Grid and Transmission	Research and development of smart grid technologies	Computer Engineers, Computer Programmers, Electrical Engineers, Electricians, and Electrical Power Line Installers.
	Transmission system upgrade projects to facilitate the delivery of power from renewable energy facilities.	
	Loan guarantees to businesses involved in smart grid technologies	
	Establishment of information clearinghouse to share data from demonstration smart grid projects such as solar and wind farms	
F. Weatherization	Weatherization Assistance Program for private and public housing	Insulation Workers, Glaziers, and Heating and Air Conditioning Mechanics.
G. Energy Efficiency	Rehabilitation and retrofit projects for public and private housing, including homes maintained by Native American housing programs	Energy Auditors, Construction Managers, Sustainability Coordinators, Electricians, Hazardous Waste Removal Workers, Environmental Engineers, And Wastewater Treatment
	Brownfields assessment and cleanup projects of old industrial and commercial sites needing remediation	
	Funds to assist communities upgrade wastewater treatment systems	

	Tax credit projects to build and rehabilitate low income housing using green technologies	Workers.
	Development of energy efficiency and conservation strategies and programs, including energy audit programs.	
	Shipside electrification of vehicles; truck stop electrification, and cargo-handling equipment	
	Funding to increase the energy efficiency of information and communications technologies	
	National Science Foundation funding for research related to improvements in energy efficiency, transmission, regulation and storage of electricity for use on military installations, including research on renewable energy	
	<p>Funding to local governments to reduce energy use and reduce emissions.</p> <p>Allowable uses include strategic planning, consultant services, energy audits, implementing building codes and inspection services, energy efficiency retrofits, and installing onsite renewable energy technologies</p>	

D. Construction (Heavy and Specialty Trades)

It is still difficult to evaluate the impact of the federal stimulus program on the construction industry sector. Ideally, the new stimulus money will have a positive effect in the short-term outlook period and will change from job losses to gains. Construction job opportunities will come from stimulus-funded contracts that require heavy construction and specialty trades workers. Specifically, these include infrastructure projects such as highway, road, and bridge construction and repair, and school building and remodeling projects. Office and administrative occupations that support construction projects may also see growth. Jobs needed for energy efficient retrofits and repairs are discussed in the *Green* section above.

California will receive stimulus monies for highways, local streets and roads, freight and passenger rail, port infrastructure projects, and transit projects. Table 19 lists possible occupations that could be positively affected by these funds.

Table 19

Projected Federal Stimulus Funding Related to Construction		
Program	Stimulus monies	Possible Occupations Positively Affected
Airport Improvement Project	Projects that would improve safety and reduce congestion	
High Speed Rail and Intercity Rail Transit (\$1.1 billion)	Funds for transit projects	
Tax credit bonds for schools (\$2.2 billion)	Tax credit bonds funding school construction, rehabilitation, repair, or site acquisition	
Construction of Research Facilities (\$18 million)	Grants for construction and modernization of research science buildings	
National Science Foundation (\$30 million) and National Institutes of Health (\$130 million)	Grants for construction, renovation, and repair of existing university research facilities	

Bonneville Administration and Western Area Power Administration	Borrowing authority for new construction and upgrading of electric power transmission lines and related facilities	
Health Resources and Services	Grants for construction, renovation, and equipment in health care facilities	
Operation and Maintenance, Army	Funds to improve, restore, repair, and modernize Department of Defense facilities, including barracks	
Army Corps of Engineers	Funds for construction of water-related environmental infrastructure, including energy and water development projects and flood control projects	

DESCRIBE THE SKILLS DEMANDED BY INDUSTRIES AND OCCUPATIONS THAT ARE EXPECTED TO GROW THROUGH ECONOMIC RECOVERY

This section discusses which skills are needed by workers in industries and occupations expected to grow both through economic recovery and into the foreseeable future. As noted above, these industries include health care and social assistance, education, construction, and the newly emerging “green” industries.

What are the skill needs for the available, critical, and projected jobs?

A. Health Care and Social Assistance

The growth of an aging population will continue to strengthen the increasing demand for nurses, related health care givers, and social service workers. Also, California’s critical nursing shortage is projected to expand over the next two decades. These factors ensure a robust employment outlook for the health care and social assistance industry sector. In California, employment in the top 20 high-growth occupations in health care and social assistance is expected to increase by 23 percent or more than 164,000 workers between 2006 and 2016.

The top ten high-growth occupations in this industry include registered nurses, medical secretaries, medical assistants, licensed vocational nurses, home health aides, office clerks, receptionists and information clerks, preschool teachers, child care workers, and supervisors of office and administrative support workers. Other top occupations in the industry include social and human service assistants, medical and health services managers, teacher assistants, and physical therapists. Employment in the top ten occupations is expected to grow by approximately 129,000 workers.

Educational requirements vary widely among the health care and social assistance occupations. For example, registered nurse positions require a bachelor’s or associate degree. Nursing aides and home health aides may need a high school diploma or General Equivalency Diploma (GED) certificate and vocational or job-related course work to obtain State certification. Social and Human Service Assistant jobs involve 1-12 months of on the job training. Child care workers and office clerk positions call for 30-day on the job training. Health care and social assistance occupations require workers to have high skill levels in:

- Reading comprehension,
- Active listening,
- Instructing,
- Speaking,
- Social perceptiveness,
- Writing,
- Critical thinking,
- Coordination,
- Learning strategies, and
- Time management.

B. Education

Population growth will sustain the demand for educational service workers. It is likely that a surge in baby-boomer retirements will create job openings in addition to those due to employment growth and jobs created or retained from ARRA funds. In California, employment in the top 20 occupations in education is expected to increase by 21 percent or more than 126,000 workers between 2006 and 2016.

The top ten occupations in this industry include teacher assistants; secondary school teachers, except special and vocational education; office clerks, general; janitors and cleaners, except maids and housekeeping cleaners; executive secretaries and administrative assistants; educational, vocational, and school counselors; education administrators, elementary and secondary school; kindergarten teachers, except special education; special education teachers, preschool, kindergarten, and elementary school; and graduate teaching assistants. Other top occupations in this industry include child care workers; preschool teachers, except special education; instructional coordinators; and office and administrative support supervisors/managers. Employment in the top ten occupations is expected to grow by approximately 99,000 workers during the projections period.

Educational requirements vary widely among education occupations. For example, educational, vocational, and school counselors require a master's degree. Education administrators and most teachers need a bachelor's degree. Executive secretary and administrative assistant jobs involve 1-12 months of on-the-job training. Teacher assistant and office clerk positions require 30-day on-the-job training. Education occupations require workers to have high skill levels in:

- Active listening,
- Reading comprehension,
- Speaking,
- Critical thinking,
- Social perceptiveness,
- Instructing,
- Learning strategies,
- Writing,
- Monitoring, and
- Active learning.

C. Green

Skills and knowledge needs vary in the green economy due to the diverse nature of activities performed in the various sectors. Across the board, green workers must be knowledgeable of their firm's goals and values related to energy efficiency and conservation, as well as its sustainability practices.

In 2008, several hundred Silicon Valley area employers were surveyed to determine skills and values necessary to work in various green and cleantech sectors.⁷ The findings show the following skills and knowledge are needed to do the innovative work behind renewable energy and energy efficiency:

⁷ Cormia, Robert, Clean Technology Job Skills Inventory; (Bay Area Community College Consortium, 2008).

- Energy
- Electricity
- Power systems
- Engineering
- Chemistry
- Biology
- Solar technology
- Biofuels
- Fuel cells and batteries, and
- Automotive systems.

In addition, electrical, mechanical, chemical, computer, and environmental engineers, as well as agricultural and environmental scientists, all must perform these basic skills at a high level of competency:

- Active Learning
- Active Listening
- Complex Problem Identification
- Coordination
- Critical Thinking
- Judgment and Decision Making
- Reading Comprehension
- Time Management
- Writing, and
- Mathematics

Technicians in the research and development sector of the green economy, such as chemical technicians, environmental engineering technicians, biological technicians, and forest and conservation technicians, must also understand the concepts of energy, and be skilled in the following areas:

- Active Learning
- Mathematics
- Reading Comprehension
- Coordination
- Instructing
- Active Listening
- Critical Thinking
- Speaking
- Science
- Writing

For the many construction and specialty trades workers moving into the green building workforce, re-skilling in the form of certificate or customized programs will be required. Two of these occupations include solar PV installers and wind turbine technicians. Other jobs, such as insulation workers and biomass collectors, can be trained on the job.

Construction Managers, contractors, and architects entering this emerging sector need training in LEED certification requirements and other sustainable building practices, as well as knowledge of state and local energy efficiency requirements, in order to compete.

In 2009, the San Francisco Bay and Greater Silicon Valley Centers of Excellence surveyed over 700 employers about eight energy efficiency occupations considered most relevant to community colleges training.⁸ Occupations studied included project managers (construction and design work), heating and air conditioning mechanics and technicians, retrofitting specialists, energy auditors, compliance analysts, and energy efficiency managers. According to respondents, the top three skills needed for these jobs include the following:

- Ability to communicate with customers, in writing and in person
- Understanding of local and state energy efficiency requirements and incentives for new and existing buildings
- General understanding of the mechanics and engineering of energy systems, including HVAC, lighting, and renewable energy systems

Some skill and knowledge requirements for green jobs will likely change to meet the innovations, changing technologies, and policies that continue to transform the way we do business and live.

D. Construction

Job opportunities are expected to continue as more construction workers will be needed to build new highways, bridges and non-residential structures to meet the demands of a growing population. Stimulus monies will also be used to fund jobs that are needed to repair aging highways, bridges, and structures. Many employers report difficulty finding potential workers with the right qualifications. Employment opportunities will be best for individuals who have completed courses or training through technical schools or apprenticeship programs. In addition, many people currently working in the construction trades are expected to retire over the next 10 years, which will create additional job openings.

Employment in the construction industry is sensitive to the fluctuations of the economy. Workers in these trades may experience periods of unemployment when the overall level of construction falls. On the other hand, shortages of these workers may occur in some areas during peak periods of building activity.

The top ten high-growth occupations in the construction industry include carpenters, construction laborers, first line supervisors/managers of construction trades, electricians, plumbers, pipefitters, and steamfitters, drywall and ceiling tile installers, painters, construction and maintenance, cement masons and concrete finishers, operating engineers, equipment operators, and office clerks.

Educational requirements for most construction occupations involve on the job training or work experience. For example, carpenter positions require 12 months of on the job training. Construction laborer positions require 1-12 months on-the-job training while office clerk positions call for 30-day on the job training. First line supervisors/managers of construction trades require work experience. Construction occupations require workers to have high skill levels in:

⁸ California Centers of Excellence; Energy Efficiency Occupations in the Bay Region; 2009

- Critical Thinking
- Active Learning
- Coordination
- Active Listening
- Monitoring
- Equipment Selection
- Reading Comprehension
- Mathematics
- Equipment Maintenance
- Instructing
- Operation Monitoring
- Speaking
- Time Management
- Operation and Control
- Judgment and Decision Making

INTEGRATION OF WORKFORCE INFORMATION INTO PLANNING AND DECISION MAKING

In the detailed analysis provided to the California Workforce Investment Board, the California LMID has prepared an assessment of the State's economy that anticipates near-term effects on employment, identifies demand occupations and occupational skills gaps, and outlines skills in occupations that are likely to be affected through economic recovery and through resources applied by dedicated recovery funds and efforts.

Ongoing support is supplied to Local Workforce Boards and the public by regional LMID labor market consultants stationed throughout the State and through planning tools such as Planning Information Packets, an annual publication provided to each local workforce planning agency, and both the short-term (two year) and long-term (10 year) projections of employment.

Approach the State will Use to Disseminate Workforce Information -

Public access to the full range of state labor market information is available through the California Employment Development Department labor market information Web site – www.labormarketinfo.edd.ca.gov

Major workforce information categories available on the Web site include career information as an aid to jobseekers, data on the economy in the context of the labor market, a data library with access to labor force, employment, and occupational and industry figures and analysis for the State, Metropolitan Statistical Area (MSA), county, and sub-county levels. There is also a customer center section with workforce information organized by user group to include employers, economic developers, educators, workforce partners, and researchers.

A representative list of electronic products available on the State Web site consists of -

Occupational Guides - includes job description and requirements, local job outlook, local benefits and wages, licensing, education, training, links to possible employers, how to find a job, and links to additional resources.

Projections of Employment - projections of employment by occupation are future projections or "outlook" for employment. These projections are provided for periods of two and ten years. Two year, or short-term, projections are available at state-wide level only.

Staffing Patterns by Industry and Occupation - A matrix of industries and occupations that list what industries employ an occupation and what the staffing pattern is for an industry.

Occupational Profile - wages, outlook, licensing, and more for a single occupation.

Local Area Profile - unemployment rates, industry employment, economic indicators, and more for the State or a county

Economic Indicators - income, Consumer Price Index, taxable sales, median home price, layoff statistics, commute patterns, and mass layoff statistics.

Industry Employment - employment by industry, size and number of businesses, data for "industry clusters" studies, and major employers by county. Data are by place of work.

Labor Force and Unemployment - labor force, employment, unemployment, and rates (current and historical). Data are by place of residence.

As noted earlier, LMID also has labor market consultants stationed in regions throughout the State. These analysts offer training and analytical support to local workforce development staff. A public access phone line is staffed to provide assistance in locating labor market information on the State Web site and in the applicability of various workforce information products to specific customer needs.

V. OVERARCHING STATE STRATEGIES

- A. *Identify how the State will use WIA Title I funds to leverage other Federal, State, local, and private resources in order to maximize the effectiveness of such resources and to expand the participation of business, employees, and individuals in the Statewide workforce investment system? (§112(b)(10).)***

Advances in technology and globalization are making the U.S. economy more knowledge-based and innovation-driven, which presents challenges to employers and workers. To address these challenges, the President's High Growth Job Training Initiative, funded with WIA funds, uses a sector strategy approach to direct Local Boards in becoming market-driven, responsive to economic needs, and providing workers with training and career pathways that lead to high-wage high-growth jobs.

California's LWDA and State Board have embraced this regional collaborative/sector strategy approach in developing policies and priorities for the Governor's WIA 15 Percent Discretionary funds. The State lacks an economic and workforce investment strategy that focuses on regional strengths and opportunities and connects state and local efforts for maximum impact.⁹ To address this challenge, the LWDA has invested WIA dollars in several regional collaboratives that have been successful in targeting high growth/high wage sectors, leveraging other public/private funding, addressing employer identified skills gaps, and assisting individuals in securing career path employment.

For example, the Bay Area Workforce Funding Collaborative received \$1.4 million in WIA funds to launch a regional collaborative sector initiative that leveraged an additional \$2 million in philanthropic and private funds. Close to 800 low income and disadvantaged adults and youth received education, training, job placement and support services that lead to careers in the healthcare and life sciences industries. Those placed in jobs received increases in wages ranging from a 50 to a 100 percent increase.

Another example is the Los Angeles Energy Career Pathway project that brings together four major employers in the petrochemical industry, community colleges, and local workforce agencies. In addition to targeted dislocated workers, this collaborative created opportunities for disadvantaged youth and adults to access career pathways into the petrochemical industry. Entry level jobs start at \$15.00 per hour with a career path to potential earnings of \$70,000 annually. The \$600,000 in WIA funds were matched with an equal amount from employers and other local government agencies. The project, completed in December 2008, placed 84 individuals in livable wage employment. In their closeout report, they noted a 78 percent entered employment rate, a 93 percent retention rate and a 98 percent credential/diploma rate.

The State also issued three Solicitations for Proposals 2007-2008 which invested in Veterans Vest Employment Assistance Programs, Gang Reduction, Intervention and Prevention Project, and Construction Talent Transfer initiatives. Along with the \$18 Million awarded in these competitive processes, an additional \$22 Million was leveraged.

⁹ According to a CREP report, *Creating a Workforce Transition System in California*

The examples above, demonstrate that regional collaboration can benefit the workforce system and the State in the following ways: Leveraging of scarce resources;

- Ensuring that skills training matches skills needed by the local industry by bringing together employers, education, and workforce development;
- Addressing common workforce problems for multiple employers in a region; and
- Providing all segments of the population with career paths to high-growth/high-wage industries and opportunity for self sustaining wages, benefits, and prospects for advancement.

The LWDA and the State Board are aggressively seeking other opportunities to leverage resources from State agencies and departments and from the federal government, as well as from the private sector. The California Governor's Committee for the Employment of People with Disabilities (Governor's Committee), for instance, has developed and implemented strategies, including significant resource development, for expanding access to One-Stop services for people with disabilities. Among its activities has been the implementation of a disability navigator program, as well as training and technical assistance to One-Stop staff in disability access, both of which are funded in part through federal grants.

Local Boards are increasing their efforts to leverage both public and private resources within their local workforce systems, as well. An example of local coordination and leveraging is the Manufacturing Skills Project in Southern California. Several Southern California Local Boards are collaborating with the CDE and the San Bernardino Community College district to implement a pilot project to conduct certified training in manufacturing skills. The project is funded under the DOL's High Growth Job Training Initiative. This project will incorporate advanced manufacturing education and training into technical programs at high schools and community colleges and is expected to be replicated nationwide after being piloted in four Southern California counties.

B. What strategies are in place to address the national strategic direction discussed in Part I of this guidance, the Governor's priorities, and the workforce development issues identified through the analysis of the State's economy and labor market? (§§112(b)(4)(D) and 112(a).)

The State Board views strategic workforce planning as an ongoing process which includes public policy discussions and issue resolution by its special committees. This ongoing process has advanced both State and local policy and strategy, as reflected by modifications in this revised State Plan, for addressing the economic and workforce issues which confront California and its local and regional communities.

At the same time, the State Board is committed to the broader strategic workforce planning required of it in the Workforce Training Act and Green Collar Jobs Act. The strategic workforce plan will serve as a framework for workforce policy development, fiscal investments, and the operation of workforce programs. It will also serve as a strategic framework for the State Plan and other, workforce-related plans. In addition, the GCJC has been tasked with developing sector strategies in California's green

economy. It is anticipated that this sector initiative will serve as the model for future initiatives that will help sustain existing and develop emerging sectors that are important to the growth of the economy in California

With the convergence of the strategic planning processes and the new board structure, the State Board continues to capitalize on its opportunity to be the catalyst for developing a new workforce system vision and strategies that follow the general direction and leadership the Governor has provided since assuming office. The Governor and the State Board stand ready to address national priorities as they emerge under the new Administration's National priorities, the Governor's priorities, and ongoing issue and solution identification will continue to be major considerations in planning discussions and development and in various strategies discussed in different sections of this plan. The Governor and the State Board are committed to considering and addressing workforce issues identified through its ongoing strategic planning process and, in doing so, will continue to advance the system towards both the Governor's vision and priorities and the national strategic direction.

C. Based on the State's economic and labor market analysis, what strategies has the State implemented or planned to implement to target industries and occupations within the State that are high growth, high demand, and vital to the State's economy? (§§112(a) and 112(b)(4)(A).) The State may want to consider:

- 1. Industries projected to add a substantial number of new jobs to the economy; or***
- 2. Industries that have a significant impact on the overall economy; or***
- 3. Industries that impact the growth of other industries; or***
- 4. Industries that are being transformed by technology and innovation that require new skill sets for workers; or***
- 5. Industries that are new and emerging and are expected to grow.***

The Governor and his administration are examining how business is conducted and how the State might better leverage resources to maximize investments in job creation and workforce development. One result of this examination is the State Board's adoption of policy for investing the Governor's WIA 15 Percent Discretionary funds. The Solicitation for Proposals (SFP) distribution of 15 Percent funds went to local projects that addressed one or more of the current investment priorities: 1) high-wage, high-growth job training, 2) advancing workers with barriers to employment, and 3) industries with statewide labor shortages. This policy on investment priorities has resulted in the "seeding" of additional local public and private policy and funding for high-wage, high-growth, high-skill job training such as the Governor's Nurse Education Initiative, which also addresses a vital industry with a statewide shortage.

The high-wage, high-growth investment priority is also a major theme for the State Board's continuing efforts to assist the Governor in achieving his vision and policy priorities. The State Board's Special Committees will continue to explore the creation and identification of high-wage, high-growth jobs and the relevance they have to skill gaps, job training, workforce education, and career development and advancement. The State Board adopted a policy framework for the investment of the 25 Percent

Dislocated Worker funding that incorporates the Governor's three investment priorities including high-wage, high-growth as criteria for Dislocated Worker Additional Assistance.

A principal strategy for California's locally driven workforce system is to invest in tools to ensure that the State and Local Boards, and State and local partners have timely data necessary to identify and target industries and occupations that are high-growth, high-demand, and vital to the economy. These information tools form a basic building block of a demand-driven workforce system.

California hosts the world's fifth largest economy, but California is not one area with one homogeneous economy. The State is marked by a number of regions with unique economic configurations. As a result, industries that flourish in Southern California may not be represented in the northern part of the State. The high technology concentration of Santa Clara County's Silicon Valley may not be suited to the deserts of Southern California. Construction that attracts investment and new workers in metropolitan areas may be small and only restricted to maintenance or renovation in rural communities. Wholesale trade activities concentrate near ports, railheads, and distribution centers that take advantage of the intersection of Interstate Highways, but retail trade exists wherever population concentrations create enough sales to justify investment.

As noted earlier in this document, the State Board co-sponsored the CESP's Regional Economies Project (CREP). This work provides better insight into California's economy, and the regional perspective it depicts supports a better understanding of how the economy is changing, where changes are concentrated, and what catalysts and conditions are causing those changes. Working with staff from the LMID, the CREP published an industry employment series that provides annual county data at the four-digit North American Industry Classification System level, back to 1990. The project team then used that data as a springboard into the dynamics that take place in and between the State's economic regions. The studies explore specific industry clusters that are critical to the health of those regions and the statewide economy. The nine regional studies compare the performance of the regional economy to the national and State economies, point out the existing economic clusters in the region, and highlight the clusters of economic opportunity upon which local decision makers could focus their attention, specifically workforce investment and economic incentives, to continue building the regional economy. The 2008 Economic Profiles cover the period 2001-2006, with snapshots of employment changes in 2007 and early 2008. These profiles provide updates to the Profiles released in 2007, highlighting significant changes and key industry sectors and clusters in each region. They are briefer than past profiles and use a different format, in an effort to make the information easier to read and faster to digest. The 2008 Profiles also add a new cluster, Housing.

For example, a great part of the most northern economic region is forested land, much of it designated as national or State forestland. As a result of this ownership, over 40 percent of the current employment in this region is government employment and the remaining jobs are mostly concentrated in retail trade, an industry that typically pays lower than average wages. However, an analysis of the data showed that the fastest growing industries included the management of companies and enterprises, an industry that pays higher than average wages. That newfound industry was followed closely by arts, entertainment, and recreation, another industry with the potential to pay average or above average wages. The researchers found that the low population density in the region is attracting these two new industry sectors. Local decision-makers who participated in presentations of these data across the region recognized the

opportunity to use what had traditionally been seen as a constraint (government ownership) as a tool to leverage higher growth in these newly identified clusters of economic opportunity.

A different picture exists in Southern California where the average presence of government employment is less than anywhere else in the State, and the bulk of the jobs are in manufacturing and service industries that export their products outside of Southern California. The researchers found that approximately 35 percent of the almost three million people working in Southern California were involved in making or distributing products, materials, or services to people outside of the area. This understanding is helping planners and decision-makers focus their attention on attracting companies back to this cluster of economic opportunity and they are using the large, well-trained, and experienced workforce along with the presence of many support companies and extensive infrastructure as part of their package. In addition, the LMID produces various products that help individuals and local planners identify and target growing industries and occupations. These include:

- Industry and occupational employment projections on-line and through a comprehensive network of One-Stop Career Centers throughout the State;
- Occupational and career information products for public use through that same network of centers;
- Original labor market research such as studies into high-technology, surveys of emerging biotechnology employment, and publication of special labor market publications such as the annual State of the State's Labor Market Report;
- The new Local Occupational Information Group's on-line publications are a vehicle for distributing information about emerging and other high-demand occupations;
- Graphic representations of information, including maps, charts, graphs, and tables, to help people better understand the employment dynamics in their regions and Local Areas;
- Continuing study of traditional core industries, such as agriculture, by collecting and delivering agricultural employment data;
- Industry employment data for small counties overlooked by the mainstream BLS programs;
- Electronic State workforce information delivery systems to which employers, job seekers, and economic developers have Internet access at One-Stop Career Centers and their own offices; and
- Workforce information training activities as needed by the Local Boards or the One-Stop Career Centers across the State.

D. What strategies are in place to promote and develop ongoing and sustained strategic partnerships that include business and industry, economic development, the workforce investment system, and education partners (K-12, community colleges, and others) for the purpose of continuously identifying workforce challenges and developing solutions to targeted industries' workforce challenges? (§112(b)(8).)

The Governor has mandated that government in California improve intergovernmental relations among departments and agencies, as well as with the private sector, to enhance public services. As suggested in Section I, the Governor is actively working with many State agencies to address economic

development and workforce challenges across public systems. Moreover, the administration has ensured that these departments and agencies are represented on the State Board. The business-led State Board provides the necessary leadership, and convenes the necessary partnerships to guide the system towards the Governor's vision.

Currently, the California Energy Commission (CEC), a member of the GCJC has vetted a workforce development partnership framework as it moves forward with implementing the provisions of AB 118, California's Alternative and Renewable Fuel and Vehicle Technology Program. The partnership includes the State Board, EDD, California Community Colleges, ETP, and California Department of Education. The partnership's focus is three-fold: labor market information development, regional industries sector planning, and training and education program development and delivery. Also, CEC funded the expansion of the K-12 academy model to include green jobs. Academies incorporate integrated academic and career technical education, business partnerships, mentoring and internships.

The GCJC formed an ad-hoc workgroup to identify opportunities which would link existing programs and systems at the local/regional level. Initially the ad-hoc workgroup is undertaking the development of regional forums to link the, regional economic recovery planning efforts launched by BT&H, workforce development regional collaborations, and ARRA funded weatherization efforts. The goal of these forums is to model how governmental programs can coordinate regionally to further the advancement of California's industries.

To coordinate the implementation of the California Global Warming Solutions Act of 2006 (AB 32) and the Green Collar Jobs Act of 2008 (AB 3018), a state-level partnership was formed. This partnership ensures that California's activities to combat global warming and develop the emerging green economy in a manner that effectively serve businesses and workers.

Moreover, California's implementation of the Workforce Training Act requires that the broad array of State and local education, labor, human services, workforce, private sector, and economic development partners collaborate effectively in developing and implementing a cross-cutting strategic workforce plan for California. This process has brought California's diverse workforce stakeholders together in a sustainable partnership, led by the State Board, to develop common workforce system strategies that will increase the State's economic competitiveness. In addition, the state has been furthering the implementation of Industry Clusters of Opportunity Methodology as a data driven foundation for transforming California's workforce development system. Central to the methodology is the convening of a broad base of regional partners, including economic development, education, workforce, community based organizations, labor and businesses leaders to interpret data and engage in regional strategy development to address the rapidly shifting workforce needs of California's businesses.

E. What State strategies are in place to ensure that sufficient system resources are being spent to support training of individuals in high growth, high demand industries? (§§112(b)(17)(A)(i) and 112(b)(4)(A).)

The Governor's three current priorities for the strategic investment of WIA 15 Percent Discretionary funds are:

- High-Wage, High-Growth Jobs;
- Advancing workers with barriers to employment; and
- Industries with statewide shortages.

These priorities have guided the SFP process for each of the last two years, and require local partnerships to demonstrate in their applications that they had developed match funding through the leveraging of public and private resources.

Another strategy is the continuing development of the CREP, the findings and information of which are being used by local planners in identifying which jobs are most critical to their local and regional economies and ensuring that their training resources are targeting high-growth and high-demand industries. These two strategies, balanced by the Governor's charge for government to improve partnerships and identify cost savings and the sharing of resources to expand training services, will optimize the amount of resources spent on training in occupations in high-growth and high-demand industries.

F. What workforce strategies does the State have to support the creation, sustainability, and growth of small businesses and support for the workforce needs of small businesses as part of the State's economic strategy? (§§112(b)(4)(A) and 112(b)(17)(A)(i).)

The Governor and the State Board are committed to the success of California's small businesses. The Governor's goals of reducing the high cost of business, continuously providing employers with a qualified workforce, and creating every opportunity for small business to grow and create more jobs are important strategies for stimulating economic growth. Small businesses drive the majority of growth and innovation within California. Although small businesses are critical to all areas of the State, they particularly stand out in the many rural areas where there are no large employers.

One of the State Board's strategies for assisting small business was to adopt a policy framework for use of WIA Dislocated Worker 25 Percent funding, including a competitive funding component that prioritized innovative small business services and the development of local Rapid Response systems that modeled responsiveness to the needs of small companies. This policy was based upon successful local models, such as that implemented by the Northern Rural Training Employment Consortium (NoRTEC). Most Local Boards provide business services through their One-Stop systems. NoRTEC's business service portfolio, for instance, consists of three primary functions: Business Startup, Business Expansion, and Business Vitalization. Within these functions, six service clusters are offered: Business Information Exchange, Human Resource Support, Employee Recruitment, Employee Training, Layoff Assistance, and Public Policy.

In 2005, the State Board's Special Committee on Business and Industry adopted the thematic mandate of "supporting California's small businesses." To assist California's businesses succeed, especially the small business owners in their contributions to communities and economy, the committee formed a Business Services Workgroup with the charge of establishing a business services policy that would provide guidance on the development, implementation, and delivery of relevant, high-quality business services through California's One-Stop Career Center System.

SB 293 also now requires that Small Business Development Centers, where they exist, become mandatory One-Stop Career Center partners. Additionally, economic development entities must now be appointed as members on Local Boards.

In late 2008, State board staff began to meet on a regular basis with the State's Office of the Small Business Advocate along with numerous other state agencies and departments. The purpose of these meetings is to ensure and encourage participation of small businesses in various state funding and contracting opportunities. Discussions have led to shared knowledge regarding a variety of opportunities in which small business may participate. The Small Business Advocate is a valued member of the GCJC in sharing knowledge of small business practices and how to conduct effective outreach to small business. We recognize that it is California's small businesses that provide a majority of our jobs, so this linkage is essential in order to ensure that California's workforce system assists small business owners succeed in their contributions to California's communities and economy.

G. How are the funds reserved for Statewide activities used to incentivize the entities that make up the State's workforce investment system at the State and local levels to achieve the Governor's vision and address the national strategic direction identified in Part I of this guidance? (§112(a).)

Since the implementation of the WIA, California has used the Governor's WIA 15 Percent Discretionary funds reserved for statewide activities in a variety of ways to provide incentives for system-building, with a focus on both the Governor's priorities and the national priorities. The State Board and the Governor's

- **Gang Reduction, Intervention and Prevention Initiative** As part of an overall strategy to combat gang violence, the Governor recently awarded \$9.2 million in competitive grants to cities and community-based organizations (CBOs) for gang prevention, intervention and enforcement; and \$7.3 million in grants to provide job training and education programs targeting youth at risk of joining gangs or seeking to leave them. These grants are part of the California Gang Reduction, Intervention and Prevention initiative (CalGRIP). The grants to cities and CBOs are from the State Restitution Fund and the job training and education grants are federal workforce development monies. Youth ages 14-24 receive a broad range of services, including mental health services, gang counseling, educational skills for high school graduation or GED, occupational training in business services, biotech areas and green industry apprenticeships.
- **Green Job Corps Initiative** funds the operation of a pilot program to place at least 1,000 at-risk youth 16-24 into green jobs over the next 20 months.

- Caregiver Training Initiative encourages new local and regional partnerships to address a statewide shortage of health care workers
- Nurse Education Initiative relies on strong regional partnerships to address statewide shortages of professional nurses
- Community and Faith Based Initiative expands the access of these organizations and their customers to the training, job, and career services offered through One-Stop Career Centers
- Veterans Employment-Related Assistance Program, announced by the Secretary of Labor and Workforce Development in March, 2005, continues to provide enhanced and targeted employment and training services to California's veterans.

The SFPs make statewide funds available to act as an incentive for a number of different purposes, including services to foster youth and youth with disabilities, veterans, farm workers, welfare recipients, and other populations most in need; training for industries with statewide shortages of workers; programs that identify and train for high-wage, high-growth occupations; enhanced partnership and service-integration strategies; and local One-Stop system-building. The latest SFP, for instance, devoted some \$18 million in WIA 15 Percent Discretionary funds for projects that focus on growth Industries that require high-wage, high-skill job training; removing barriers for special needs populations, including serving workers chronically employed at the minimum wage; industries with a statewide need, including the rapidly expanding transportation/logistics industry, and veterans.

In addition to the initiatives and SFPs that have been developed by the Governor, the LWDA, the State Board, and the EDD, WIA 15 Percent Discretionary funds are made available each year for distribution in the form of incentive grants to Local Areas. The Governor's incentive policy, developed by the State Board provides for:

- Allocating 70 percent of WIA available Incentive Award funds for Exemplary Performance awards. Local Boards that meet their negotiated performance indicators in each of the four client groups (Adults, Dislocated Workers, Older Youth and Younger Youth) receive a full or partial award, depending on the outcomes achieved.
- Allocating 30 percent of available Incentive Award funds for regional collaboration or local coordination. In 2009, grants will be made to local areas and local workforce investment boards that engage in efforts that support the use of sector strategy methodologies and roles as workforce intermediaries. These grants will optimize public and private investments that support California's key regional industries and provide workers with high wage/high growth career pathways.

H. Describe the State's strategies to promote collaboration between the workforce investment system, education, human services, juvenile justice, and other systems to better serve youth that are most in need and have significant barriers to employment, and to successfully connect them to education and training opportunities that lead to successful employment. (§112(b)(18)(A).)

The LWDA, EDD, State Board, and California Department of Corrections and Rehabilitation have signed an MOU to implement Project New Start, which coordinates rehabilitation and training services to parolees and connects them to local one-stops for additional supportive services and job placement. The goal of this partnership is to reduce the recidivism rates present in paroled populations by increasing the numbers of parolees who obtain employment upon release from State correctional institutions.

California's strategy to promote collaboration between subject agencies and programs to better serve youth is threefold: 1) the State and Local Boards will continue to improve and expand both State, Regional, and local partnerships between entities that serve youth most in need; 2) the system will support State legislative efforts to improve the workforce education curriculum at all levels of education; and, 3) the Governor and the State Board will continue to explore initiatives using federal grant funds and Governor's WIA 15 Percent Discretionary funds that promote the necessary collaboration.

Examples of these three strategies in action are:

- The SYVT, as described in Section III. C. 4, was established in December 2004 to explore strategies for incorporating the new vision to serve out-of-school and at-risk youth as outlined in the DOL Training and Guidance Letter (TEGL) No. 3-04. The State Board reconvened the SYVT during December 2006 to foster communication, coordination, and collaboration at the State and local levels in support of those who serve youth most in need through WIA funded youth programs.
- CTE continues to be a Governor's priority. At a March, 2007 CTE Summit, the Governor characterized four principles for CTE:
 - Demand-driven to reflect the jobs that will be available;
 - Relevant to reflect skill levels needed by industries;
 - Flexible to adapt to changing industry and technology requirements; and
 - Provide individuals opportunities to advance their careers and/or upgrade their skills.

SB 70 allocated \$20 million each year in 2005-06 and 2006-07. In 2007-08, SB 70 and SB 1133 together provided \$42 million. Through 2013-14, it is proposed that \$58 million will be provided for improving career technical education in California by building and aligning coordinated CTE pathways to postsecondary programs of study enabling students to develop high levels of workplace skills, while pursuing personal aspirations.¹⁰

The Governor and the California Legislature made increased funding available to expand vocational and CTE opportunities for middle school and high school students, and to improve linkages between the career and technical curricula of the public schools and community colleges. In addition, the California Board of Education approved model curriculum standards and a framework for CTE, making California one of the first states to establish educational standards for CTE.

Representatives of both the CDE and the CCCCCO sit on the State Board. The CDE and the CCCCCO, along with the California Secretary of Education, are also active members of the State Board's State Youth Vision Team. Initiatives relating to CTE that have emerged from the State Board and the committee include the CCCCCO's Career Advancement Academies and a WIA 15 Percent Discretionary Pre-Vocational Education SFP.

¹⁰ http://www.cccco.edu/Portals/4/CTE_Legislative_Report.pdf

The SIT provides leadership and guidance to facilitate full county implementation of improved systems that benefit communities and our common population of children, youth and families. The SIT promotes shared responsibility and accountability for the welfare of children, youth, and families by ensuring that planning, funding, and policy are aligned across State departments.

- GCJC, as described in AB 3018 and implemented by the California Workforce Investment Board will ensure collaboration across systems to promote youth access to career pathways in the “Green Economy”. Additionally, youth will be provided work experiences that equip them with the appropriate green knowledge as described in DOL/ETA Training and Employment Guidance Letter 14-08.

I. Describe the State’s strategies to identify State laws, regulations, policies that impede successful achievement of workforce development goals and strategies to change or modify them. (§112(b)(2).)

Each member of the Governor’s cabinet, including the Secretary of Labor and Workforce Development, receive a copy of all State Senate and Assembly Bills. Agency designees then assign bills for analysis to appropriate organizations within the agency, such as the EDD and the State Board. The EDD and the State Board also employ staff who actively monitor legislative activity and review all new legislation relating to workforce programs in California and, working through the LWDA, forward analyses and positions on bills to the Legislature and the Governor’s Office.

Federal laws are normally implemented in California through enabling legislation. State enabling legislation assigns authority for developing State regulations. The State elected to implement the WIA, however, through an Executive Order issued by the Governor. As a result, California has not developed and implemented its own regulations for the WIA, but follows federal law and regulation.

One of the Governor’s policy directives is to simplify regulations, particularly those that unnecessarily impede efforts to improve California’s business climate and economy. The LWDA and its workforce organizations, including the State Board, collaborate with partner agencies and programs at the State and local levels to identify and address unnecessary regulations that burden the State’s efforts to provide effective workforce programs and services.

J. Describe how the State will take advantage of the flexibility provisions in WIA for waivers and the option to obtain approval as a workflex State pursuant to §189(i) and §192.

California has not exercised the option to become a workflex state, but continuously monitors the need for specific waivers from the DOL. To review the State’s current waivers, see Attachment C. State Board staff participate monthly in a Local Area Administrators’ group that is facilitated by the EDD; the California

Workforce Association (CWA) and both Local Board members and Local Area Administrators attend State Board meetings and are provided the opportunity to present issues to and make requests of the State Board; and the State Board has developed a waivers process that includes the convening of an ad hoc waivers workgroup for the specific purpose of exploring potential waiver requests when they are suggested ([WIAD05-13](#)). The EDD solicits waiver requests annually during a window period of July – November, although partners and stakeholders can develop and submit suggestions for waiver requests at any time during the year. The Governor has requested those waivers granted for Program Year (PY) 2007 and 2008 be extended for PY 2009. Also, the state board and EDD actively look to identify additional waivers to increase program flexibility and performance.

VI. MAJOR STATE POLICIES AND REQUIREMENTS

Describe major State policies and requirements that have been established to direct and support the development of a statewide workforce investment system not described elsewhere in this Plan as outlined below. (§112(b)(2).)

A. What State policies and systems are in place or planned to support common data collection and reporting processes, information management, integrated service delivery, and performance management? (§§111(d)(2) and 112(b)(8)(B).)

California manages client information for the Wagner-Peyser Program through the California Job Opening Browse System (CalJOBSSM). This is our State tool for tracking and reporting universal access services. The WIA program is managed through the State administered Job Training Automation (JTA) system. Use of the JTA system for compliance reporting is mandatory for all entities that receive WIA funds; other partners have the option to use the system. Whether other partners exclusively use the JTA system is determined at the local level.

In early 2007, leadership from the Employment Development Department (EDD), Local Workforce Investment Boards (Local Board), the State Board, and the Labor and Workforce Development Agency (Agency) came together for the purpose of considering the development of an integrated service delivery model for California's workforce system and its One-Stop Career Centers. This group agreed that continued economic and fiscal pressures, coupled with higher demands for service and performance accountability, requires a fundamental change in California's delivery system for workforce services.

With this understanding, a larger effort was launched involving representatives from State Board staff, the EDD's Workforce Services Branch, the California Workforce Association (CWA), the Agency, and 12 Local Boards. Using the assistance of a facilitator, this planning team identified the characteristics of an effectively integrated service delivery model that will:

- Respond to 21st Century industry demand and our contemporary workforce crisis;
- Assure that our services and training are in alignment with current local and regional labor market requirements;
- Shift service priority to an emphasis on worker skills – assisting workers to gain the skills leading to self-sufficiency, and responding to employer demand;
- Cope with limited and declining funding through a more efficient use of resources and a reduction of program duplication and requirements; and
- Systematically improve the coordination of Workforce Investment Act (WIA) and Wagner-Peyser Act (WPA) funded services to achieve improved customer outcomes and more efficient and effective customer service.

With the passage of California's Workforce Training Act, the State Board is responsible for developing and implementing a statewide strategic policy framework for a more comprehensive workforce system

that will ensure California's economic competitiveness into the future. A skills-based, demand-driven, integrated service delivery model, and associated policy that can be applied system-wide, are key elements of the strategic policy framework. They also represent an important next step in advancing related State Board initiatives such as State-level One-Stop Career Center Certification and the One-Stop Career Center Cost Study.

To support integrated customer services in our One-Stop Career Centers California has build a bridge between CalJOBSSM and the JTA to allow transfer of data. This eliminates some duplicate data entry and facilitates a single client record for universal access customers that move on to services through the WIA program. This is a short term solution. California has an approved Feasibility Study Report to acquire an integrated One-Stop Career Center System. California expects to implement the new system in program year 2010.

In support of California's integrated service delivery strategy, the WSD published Local Learning Lab Draft Directive 10, describing required procedures in the Local Learning Labs to assure an integrated service record. At the end of Program Year 2008-09, California will review the progress in our learning labs and consider next steps in this system transformation.

B. What State policies are in place that promote efficient use of administrative resources such as requiring more co-location and fewer affiliate sites in local One-Stop systems to eliminate duplicative facility and operational costs or to requiring a single administrative structure at the local level to support Local Boards and to be the fiscal agent for WIA funds to avoid duplicative administrative costs that could otherwise be used for service delivery and training? The State may include administrative cost controls, plans, reductions, and targets for reductions if it has established them. (§§111(d)(2) and 112(b)(8)(A).)

On October 10, 2007, the State Board adopted a draft policy supporting the testing of integrated service delivery by 12 local workforce investment boards in partnership with the EDD's Workforce Service Branch (WSB). This draft policy stated:

In order to prototype an integrated service delivery system work groups comprised of State and local partners will develop policy recommendations, strategies, and operating models to be tested by twelve Local Boards who have volunteered their Local Workforce Investment Areas (Local Area) to serve as learning labs for proposed models. The target date for Learning Lab implementation is July 2008.

The Learning Labs will:

- Test a wide variety of approaches to achieve integrated service delivery;
- Capture information in the following areas:
 - ☐ Ease of data collection,
 - ☐ Increased efficiencies and effectiveness,
 - ☐ Impact on service quality,
 - ☐ Impact on performance outcomes,

- ❑ Time required to implement integrated service delivery,
- ❑ Resources used to meet the responsibility,
- ❑ Increase in number of customers receiving skills and other training,
- ❑ Impact on cost per customer served,
- ❑ Impact on skills improvement from entry to exit,
- ❑ Impact on customer service outcomes, and
- ❑ Impact on duration of unemployment; and
- ❑ • Use what is learned from these approaches to inform the improvement of the draft State integrated service delivery policy.

This effort adds to the series of guidance documents issued by EDD's WSB to improve decision-making. The series includes the WS Model, Partnership Pooled Costs, Co-location Agreement Process, Program Operational Plan, Budget Allocation Template and other tools. These were steps taken by the State to better integrate WS core services into One-Stop systems and reduce waste and duplication.

The Governor is intent upon expanding and improving efforts to create administrative efficiencies within State and local government, and direct more funding into services such as training, by eliminating unnecessary infrastructure and core services costs. The State Board launched its innovative One-Stop cost study in 2006 explored and reported on these costs at the State and local levels. Now complete, the State Board is using the cost study results to explore opportunities for better co-location, streamlining of operations, and consolidation of facilities and administration.

C. What State policies are in place to promote universal access and consistency of service Statewide? (§112(b)(2).)

California is the nation's most populous state, with the largest, most diverse labor force. The unique demographics of each Local Area in California require different methods of ensuring universal access. The State Board supports the idea that Local Areas are best positioned to implement solutions that meet the needs of their local communities.

The EDD produces WIA technical assistance guides for use by Local Boards to ensure consistency in program eligibility. These guides provide a structured, simplified process for implementing universal access. All Local Boards are encouraged to fully engage partner programs and faith-based and community-based organizations to assist in the leveraging of resources. Local Boards are encouraged to collaborate and pool resources where appropriate to improve their workforce investment systems. Technical assistance is also provided through the EDD's on-line WIA Q&A website, monthly WIA Advisory Group meetings with EDD WSD management, and the Regional Advisors.

Over the past two years, an Integrated Service Delivery Planning Team comprised of representatives from EDD's Workforce Services Branch, CWIB, CWA, Labor and Workforce Development Agency and Local Workforce Areas have been exploring opportunities for moving toward an integrated service delivery model that effectively:

- Responds to 21st Century industry demand and our contemporary workforce crisis;

- Assures that our services and training are in alignment with current local and regional labor market requirements;
- Shifts service priority to an emphasis on worker skills, assisting workers to gain the skills leading to self-sufficiency and responding to employer demand;
- Copes with limited and declining funding through a more efficient use of resources and a reduction of program duplication and requirements;
- Increases service levels and quality; and
- Redefines and improves performance.

In July, 2008, twelve Local Areas volunteering to serve as “learning labs” began implementing this integrated service delivery model. These new methods and program design will help ensure that our services and training are aligned with current local and regional labor market requirements; create a new local workforce system that is skill based and will move each One-Stop Career Center client through a common set of value added services designed to increase their employability and their chances of retaining jobs and advancing in them.

D. What policies support a demand-driven approach to workforce development, as described in Part I, “Demand-driven Workforce Investment System” – such as training on the economy and labor market data for Local Board and One-Stop Career Center staff? (§§ 112(b)(4) and 112(b)(17)(A)(iv).)

The LMID’s Labor Market Consultants maintain a presence in local communities and provide training, technical assistance, presentations, workshops, products, and other services to Local Boards, One-Stop Career Centers, and other workforce preparation partners. Specifically, the consultants:

- Analyze labor force and industry trends and remain familiar with the local labor market in order to be in a position to help local providers make data-driven decisions;
- Participate in One-Stop staff meetings, usually to provide information on the local economy;
- Update One-Stop staff on new labor market information or related products and services; and
- Ensure that the most current labor market information is available in One-Stop centers either through links on computers or printed publications in libraries. To accomplish this end, the consultants visit each comprehensive One-Stop Career Center at least once every year to review the publications and electronic information systems in the centers’ resource rooms.

Additional resources are being made available to the field through new and improved computer access to key labor market data and presentations of CREP findings and data. The State Board’s special committees are exploring new and innovative ways of collecting and disseminating economic and labor market information. The LWDA is pursuing similar goals through new and more vigorous State-level partnerships, including providing training to the education communities on how to better use and apply information that is being generated through the CREP.

E. What policies are in place to ensure that the resources available through the Federal and/or State Registered Apprenticeship programs and the Job Corps are fully integrated with the State's One-Stop delivery system? (§112)(b)(17)(A)(iv).)

As previously stated in Section V, the Governor has instituted strategic funding priorities and has continued the development of the CREP in order to ensure training resources are targeting high-growth and high-demand industries. Parallel to these two strategies and in accord with strategies to improve partnerships and identify resource savings in order to expand training services, apprenticeship programs are critical to optimizing the resources spent on training in occupations in high-growth and high demand industries.

For example, as provided in Section IV of this plan, many skilled trades occupations are critical to California's economy and in demand over the next decade. Apprenticeship programs are a key strategic element for preparing current and future workers for these occupations, and often place workers in high-wage career paths. Additionally, Job Corps is an effective strategy to prepare young people for a number of these occupations.

The State ensures that the resources available through apprenticeship programs and the Job Corps are integrated into the local One-Stop systems by actively coordinating with those programs through representation on the State and Local Boards, as well as the local youth councils. Labor organizations, the CCCCCO, the CDE, and the LWDA all play roles in the funding and operation of apprenticeship programs and training and all participate on these bodies. The Job Corps participates in those organizations, as well. California's workforce system is now focusing on at-risk youth and how to upgrade the skill-level of current and future workers through the State Board's Special Committee on Lifelong Learning, and its recently re-convened SYVT. The SYVT includes representatives from the Job Corps, organized labor, the CCCCCO, the CDE, and the State Division on Apprenticeship Standards as members, and is developing a collaborative apprenticeship/pre-apprenticeship initiative.

VII. INTEGRATION OF ONE-STOP SERVICE DELIVERY

Describe the actions the State has taken to ensure an integrated One-Stop service delivery system statewide. (§§112(b)(14) and 121).)

- A. *What State policies and procedures are in place to ensure the quality of service delivery through One-Stop Career Centers such as development of minimum guidelines for operating comprehensive One-Stop Career Centers, competencies for One-Stop Career Center staff or development of a certification process for One-Stop Career Centers? (§112(b)(14).)*
- B. *What policies or guidance has the State issued to support maximum integration of service delivery through the One-Stop delivery system for both business customers and individual customers? (§112(b)(14).)*

California did extensive collaborative work between 1995 and 1999 in developing and establishing its statewide One-Stop Career Center System. With the implementation of the WIA, the State assisted its 50 WIA Local Areas in redirecting and expanding their mature One-Stop systems into the systems required under the federal law. State assistance included issuing guidance based in federal requirements for One-Stop integration of services and in existing State One-Stop policy, and early training developed and provided by the EDD's CBU.

In February 2007, State leadership and several Local Area leaders convened a meeting to engage in a more formal process and a larger set of partners to explore opportunities in expanding service integration. The partners included directors and other representatives from 12 Local Workforce Investment Areas and approximately 26 of EDD's top state, regional and local managers, mostly from the Workforce Services Branch but also from the Unemployment Insurance Branch. Representatives from the California Workforce Investment Board (CWIB) and the Labor and Workforce Development Agency were also involved.

The focus of the initiative is to improve coordination systematically to improve customer outcomes and provide more efficient and effective client services. Two goals of the initiative are to ensure services and training are in alignment with current local and regional labor market requirements; and to move to a demand driven system that places emphasis on worker skills and responds to the needs and demands of business.

In July 2008, 12 Local Areas began serving as learning labs to test the integrated service delivery model in three key areas: integrated customer pool, integrated customer flow and integrated staffing. Three new learning labs will join the experiment in July 2009. The State has issued a general, first draft integrated service delivery policy with broad parameters (and minimums) for local integrated service delivery. In addition, the State has released two draft directives for public comment related to the learning lab models.

The Integrated Service Delivery model is intended as a precursor to both a local and statewide commitment for service integration among WIA Adult and Dislocated Worker, Wagner-Peyser, Veteran, MSFW and TGAAAA programs.

The State has also provided guidance and training regarding co-location and cost-sharing, both of which are directly related to maximizing the integration of services within the One-Stop system. The co-enrollment of customers has been another subject area related to integration for which the State has provided guidance. The EDD, for instance, issued an information bulletin in 2003 ([WIAB03-7](#)) titled; “Co-enrollment of WIA Participants,” based in part on the principle that “One of the main tenets of the WIA is partnering to provide participants the best service and offer the widest array of choices.” Finally, the State Board has annually provided incentive awards for local coordination among partner programs within Local Areas.

On an ongoing basis, the EDD provides Regional Advisors who are assigned as liaisons with each of the Local Areas to provide technical assistance in the operation of the local One-Stop systems and the overall implementation of the WIA. The EDD’s Compliance Review Division (CRD) also monitors each of the Local Areas for compliance issues and assists the Local Areas in monitoring and overseeing their local systems and providers.

The statewide One-Stop Career Center System has flourished under local flexibility and community-based innovation. Local Boards developed their own guidelines for operating local One-Stop systems and centers and for ensuring the integration and quality of services. Many Local Boards in California have developed quality-assurance systems through which they certify individual One-Stop centers. However, Local One-Stop Operators, the CWA, and Local Boards have all expressed the need for a quality assurance system at the State level that can better ensure that all One-Stop centers meet minimum, quality standards, including the effective integration of services.

C. What actions has the State taken to promote identifying One-Stop infrastructure costs and developing models or strategies for local use that support integration? (§112(b)(14).)

The EDD’s WSB developed and employed a cost allocation template that identifies the total costs associated with staff, and specific operating expenses and equipment items that are made available to the One-Stop centers. This template is in use in Local Areas. In terms of integration, the WS policy/procedure in support of integration follows:

- The WS operates Affiliated sites only if (1) requirements for a comprehensive One Stop center are met, (2) WS core services are universally available via three service modes, and (3) there is a Memorandum of Understanding (MOU) meeting federal requirements;
- WS field administrators and managers are authorized to be Local Board members;
- All WSB services are provided through the One Stop systems;
- Co-location of WSB staff is primarily at One-Stop Career Centers and WS also contracts for non-205 funds to provide employment services for targeted groups;
- CalJOBSSM, the Program Activity Support System (PASS), and the Employer Contact Management System (ECMS) are available to all partners. However, WS does not currently share job listings with other databases because the State has not adopted a single, statewide

system, nor has it determined how to integrate the local systems into a statewide system. Wide Open Web hyperlinks, however, are allowed to be placed on CalJOBSSM by local partners;

- Partners are trained to use CalJOBSSM and have flexible options for sharing job listings; and
- Job Identification is coordinated with partners to avoid duplicate contacts with employers through the Employer Outreach Coordination Plan.

The EDD's WSD has also developed an alternative cost allocation and resource-sharing model that removes barriers to integration and encourages partnerships. California's approach includes all costs and all partners of the One-Stop systems. By doing so, local partners can see how all resources are being used, and have informed discussions about the optimum future uses of those resources.

Neither the full integration of services nor the leveraging of funds has occurred to the degree desired in One-Stop systems throughout the State. A major reason for these challenges to collaboration and integration is the fear among prospective partners that they will lose control of their resources. Implementing California's alternative approach to cost allocation and resource sharing would help eliminate those fears. Using this model removes the exposure of contingent liabilities caused by other partners' decisions, funding, or caseload changes. It allows partners to maintain control over their funding while providing management information on the cumulative costs and production levels of the One-Stop centers. It enables partners to see the value of partnering in real economic terms, and it encourages a collaborative business process so that limited resources are used in the most efficient and effective manner possible.

The California model, which was piloted in one Local Area, attempts to recognize and quantify the value of services provided by the partner agencies. Based on this, it may provide maximum flexibility in determining what each partner will contribute to the operation of the One-Stop systems. By eliminating the fear that a particular program will be harmed by adverse actions of a partner, the California model cultivates a business environment where decisions can be based on local needs and expected return on investment. One-Stop partners can make decisions that make good business sense and optimize system outputs.

The State Board and the EDD have undertaken an innovative One-Stop cost study of selected One-Stop Career Centers to examine local administrative, infrastructure, and direct services costs incurred by partner agencies, and the system outputs those costs support. The State Board will use the resulting information to develop strategies and guidance that Local Boards can use to increase administrative and service delivery efficiencies, which may afford more funding for intensive, business, and training services. One expected result of the cost study is information that would confirm California's alternative approach to cost allocation and resource sharing. In that event, the State would continue to actively seek approval from the DOL to utilize this new model statewide.

In 2006-07, the State Board, the EDD and the California Workforce Association completed an innovative One-Stop cost study of selected One-Stop Career Centers using Activity Based Cost Accounting methodology to examine local administrative, infrastructure, and direct services costs incurred by partner agencies, and the system outputs those costs support. The steering committee for the study included State of California partner agency representatives from EDD, Rehabilitation, Aging, Education, Social

Services, Community Colleges, Community Services and Development and Housing and Community Development, including local representatives from the California Workforce Association.

A subsequent Cost Study project is currently underway to enhance the application and use of the Activity Based Cost (ABC) accounting model in California One-Stops to support continuous improvement and inform better integration of service delivery. The project consists of two main components, a management track and a policy track. The management track will refine the ABC approach and design an efficient data-collection system that will allow much better analysis of the costs and outputs of the workforce system. Primary goals include developing a deeper understanding of the initial Cost Study findings, refining the ABC methodology for more intensive use in One-Stops, further analyzing the Cost Study ABC data, and developing a web-based tool for collecting and analyzing the ABC data for eventual use by all local area One-Stops. The policy track will develop a research agenda for further analysis of existing data and collection of additional data to support policy analysis in the workforce system. This subsequent study will assist in developing strategies and guidance that Local Boards can use to increase administrative and service delivery efficiencies, which may afford more funding for training, business and intensive services. One expected result of the cost study is information that would confirm California's alternative approach to cost allocation and resource sharing. In that event, the State would continue to actively inform and seek approval from the DOL to utilize this new model statewide.

D. How does the State use the funds reserved for statewide activities pursuant to (§§129(b)(2)(B) and 134(a)(2)(B)(v).) to assist in the establishment and operation of One-Stop delivery systems? (§112(b)(14).)

In 2006, the State Board, through its Special Committee on Accountability in Workforce Investments, formally launched the cost study of California's local One-Stop Career Center systems (referenced above) that will provide opportunities to identify efficiencies and cost savings in order to strategically redirect savings into expanded customer services such as training and business services. The study is being financed through WIA 15 Percent Discretionary funds and may also identify strategic investment opportunities to enhance the One-Stop delivery system in order to ensure its effectiveness in helping to improve the State's business climate and strengthen and support its global economy. The State Board's goal is for State and local partners to strategically invest more public and leveraged private resources into the workforce system.

The Governor is investing his WIA 15 Percent Discretionary funds strategically, including investments in the improvement of the One-Stop Career Center System. For example, the Governor's investment in the CREP better ensures that the local One-Stop systems have access to relevant regional economic analysis and labor market information, which is critical in developing a demand-driven system architecture.

Other examples of statewide funding in support of the local One-Stop systems are that:

- Each Local Area receives a baseline of Rapid Response funding;
- The EDD provides each Local Area a Regional Advisor to provide technical assistance for the administration of their local One-Stop system;
- The EDD's LMID provides labor market information through the One-Stop centers' resource rooms (see Section IX.4. for a description);
- The EDD provides capacity building services that are available to all One-Stop system personnel on a continuous basis;
- Governor's WIA 15 Percent Discretionary funds SFPs provide grants to local One-Stop centers and Local Boards for system building; and

E. How does the State ensure the full array of services and staff in the One-Stop delivery system support human capital solutions for businesses and individual customers broadly? (§112(b)(14).)

As described in Section IX.A.1 and IX.C.4.a., California has begun the development of a framework that would ensure that One-Stop services in California are broad and targeted towards addressing the workforce needs of business and providing the human capital that businesses require to flourish. This objective can be accomplished through the effective integration in local One-Stop systems of workforce services, which are accessible and relevant to the needs of California's local and regional communities. Most Local Boards have been developing demand-driven systems that offer various mixes of business services, including human capital solutions. With the Governor's priorities for California's workforce system, and strategic direction adopted by the State Board, the State will develop more guidance and identify more ways to support these local efforts.

Ensuring that assets are available for human capital solutions was one of the goals of California's 25 Percent Policy Framework, which was adopted by the State Board in May 2004. As described in Section IX.D., California administers a locally driven Rapid Response System through its 50 local areas, which provide the services through their local One-Stop systems. The policy framework provides a defined role for the State and local Rapid Response system that includes assisting employers in exploring alternatives to layoffs through human resource solutions, and providing employers with pertinent information that can support those efforts. Additionally, the policy framework provides competitive funding opportunities for proactive services to assist employers in averting layoffs and succeeding in today's economic climate.

An example of this policy framework in action is the Los Angeles Layoff Aversion Council that brings together a collaboration of five Local Boards, community and local economic development entities, and private sector partners to assist employers in averting layoffs and succeeding in their respective industry sectors. Other examples can be found throughout the State. In the northern, mostly rural areas of California, for instance, one of the Local Boards that represents a consortium of counties receives baseline funding through the Rapid Response policy framework to support business services that are focused on providing human capital solutions to employers, most of whom operate small businesses. This baseline funding supports efforts to assist small businesses in succeeding, which can avert layoffs and provide workers continuing opportunities to be integral parts of small- or large-businesses' success.

VIII.ADMINISTRATION AND OVERSIGHT OF LOCAL WORKFORCE INVESTMENT SYSTEM

A. Local Area Designations

1. **Identify the State's designated local workforce investment areas and the date of the most recent area designation, including whether the State is currently re-designating local areas. (§112(b)(5).)**
2. **Include a description of the process used to designate such areas. Describe how the State considered the extent to which such local areas are consistent with labor market areas: geographic areas served by local and intermediate education agencies, post-secondary education institutions and area career and technical education schools; and all other criteria identified in section 116(a)(1) in establishing area boundaries, to assure coordinated planning. Describe the State Board's role, including all recommendations made on local designation requests pursuant to section 116(a)(4). (§§112(b)(5) and 116(a)(1).)**

California has 49 designated Local Areas (see Attachment E). At its January 2009 the State Board recommended re-certification of 44 of the 49 local areas and the Governor approved these designations to December 31, 2011. The five remaining local boards received provisional recertification. The State Board and the EDD continues to monitor their activities to ensure they fully meet the compositional requirements in SB 293.

In response to a local request for modification, the State Board developed a Local Area modification policy in 2004 that was subsequently adopted by the Governor. This policy and process, as well as those adopted by the State for initial and subsequent designation of Local Areas, follows the guidance in federal law and regulation, including the considerations of the criteria identified in 116(a)(1) to assure coordinated planning.

The Local Area modification policy and process was applied in 2007 to a request submitted by the Carson-Lomita-Torrance Local Area. Lomita and Torrance requested a merger with the greater Long Beach Local Area while Carson requested a merger with South Bay Workforce Investment Area. Similarly, in 2008 the Northern Rural Training and Employment Consortium (NoRTEC) requested that Nevada County move from the Golden Sierra Consortium to the NoRTEC Local Area. All consortiums followed all requirements under the Local Area modification process, including a public comment period (through which no opposing comments were received). This Local Area modification requests and supporting documentation were presented to the State Board and the State Board subsequently recommended that the Governor approve the Local Area modifications.

Approval of these modifications request achieved the following benefits:

- Better alignment of workforce resources;
- Provide greater accessibility to services for customers; and
- Improve the operations and the services in the participating Local Areas.

5. Describe the appeals process used by the State to hear appeals of local area designations referred to in §§112 (b)(5) and 116(a)(5).

A description of the appeals process used for initial designation can be found in Section X.E.1. of this plan.

B. Local Workforce Investment Boards – Identify the criteria the State has established to be used by the Chief Elected Official(s) in the local areas for the appointment of Local Board members based on the requirements of section 117. (§§112(b)(6) and 117(b).)

In late 1999 all local chief elected officials (CEO) in California were polled on their intention to apply for a Local Area designation. Those who indicated intent were provided with Local Area designation applications, along with the criteria necessary for them to use in the appointment of Local Board members per WIA Title I, section 117. These criteria were in effect until January, 2007 at which time SB 293 added new requirements for Local Board composition. Notably, Local Boards must now achieve a ten to fifteen percent organized labor representation and include human resources executives from local businesses and representatives of private sector economic development entities. The Governor recertifies Local Boards once every two years based on the certification criteria contained in WIA section 117(c)(2) and State policy.

C. How will your State build the capacity of Local Boards to develop and manage high performing local workforce investment systems? (§§111(d)(2) and 112(b)(14).)

Using the expertise of our State-level partners, the EDD's CBU and the CWA, training has been provided to all Local Boards. In early 2005 the CBU introduced an online WIA overview training program. Local Boards continue to use this online training program throughout the State to educate new board members on the intent and administration of the WIA program in California.

The State Board is committed to forging new and stronger partnerships with California's 49 Local Boards. Local Board representatives are involved in the State Board's special committees as voting members. The State Board has used Regional Roundtables over the course of the past two years to meet with local boards and their constituents for discussion and problem solving. Industry Clusters of Opportunity training sessions have been delivered in 12 areas of the state with the goal of increasing and improving local board's use of data for collaborative planning purposes. Moving forward, the State Board will continue to explore ways that it can better engage Local Board members in State Board meetings and activities, as well as ways that State Board members might participate in Local Board meetings, development of workforce strategy and discussion of policy.

D. Local Planning Process (112(b)(2) and 20 CFR 661.350(a)(13))-- Describe the State mandated requirements for local workforce areas' strategic planning and the assistance the State provides to local areas to facilitate this process, including:

- 1. What oversight of the local planning process is provided, including receipt and review of plans and negotiation of performance agreements?***
- 2. How does the Local Plan approval process ensure that Local Plans are consistent with State performance goals and State strategic direction?***

The EDD's LMID provides a range of social, economic, and demographic data, fitted to the boundaries of each Local Board every year. These "Planning Information Packets" (PIPs) help local organizations identify target group needs and make appropriate resource allocations for employment and training activities. The PIPs are helpful to Local Boards in developing and updating their local plans. The PIPs offer information on:

- Public Assistance Recipients by program and demographic characteristics;
- Occupations with the Greatest Absolute Job Growth;
- Lower Living Standard Income Level and Poverty Guidelines; and
- Labor Force and Census based planning information, including Characteristics of Economically Disadvantaged Persons and Characteristics of Various Potential Client Groups.

The Local Boards submitted their initial strategic Five-Year local plans pursuant to the requirements outlined in WIA Section 118 and instructions provided in WIAB99-2. Since then, the State has issued several supplemental guidance instructions to address the modification of the initial plans and to ensure that local plans are consistent with the Administration's vision and goals. The most recent supplemental guidance was issued in 2008, through WSD08-5 and new guidance will be developed and issued in 2009 that specifies that Local Boards are required to modify plans to address:

- Significant changes in local economic conditions,
- The one-year State Plan,
- Changes in financing available to support WIA Title I, ARRA funding, and partner-provided WIA services,
- A need to revise strategies to meet performance goals, and
- Other changes as required.

The EDD's Regional Advisors review the plans to ensure that they contain key required elements such as the locally negotiated performance levels, updated MOUs, budget plans, and participant summaries.

E. Regional Planning (§§112(b)(2) and 116(c))

- 1. Describe any intra-State or inter-State regions and their corresponding performance measures.**
- 2. Include a discussion of the purpose of these designations and the activities (such as regional planning, information sharing and/or coordination activities) that will occur to help improve performance. For example, regional planning efforts could result in the sharing of labor market information or in the coordination of transportation and support services across the boundaries of local areas.**
- 3. For inter-State regions (if applicable), describe the roles of the respective Governors and State and Local Boards.**

California has not formally created either intra- or inter-state regions, as specified in the WIA. California has, however, participated in certain efforts to share important information among states and make that information available to workforce customers. The western states, including California, offer user-friendly labor market information data-sharing across state lines. This supports other State and local staff, workforce preparation customers in California, and customers interested in the labor markets of a number of other states. California participated in the “Workforce Informer” consortium of 22 State Labor Market Information programs that joined together to develop a common labor market information website that delivers the data in the America’s Labor Market Information System (ALMIS) database. To date, fourteen states nationwide, including all the western states, have “Workforce Informer”-based websites. Customers familiar with California’s www.labormarketinfo.edd.ca.gov website can find similar navigation features and content at the labor market information websites of the other states, easily exploring the labor markets of nearby states, and vice versa.

California has also encouraged and supported intra-State regions through a variety of State-led initiatives including WIA 15 Percent Discretionary funds SFPs. Most of California’s 49 Local Areas have coalesced into informal regions for the purposes of planning and service delivery. They have done this for a variety of purposes, including meeting the needs of particular employers or industries, developing regional data systems, collaborating on projects funded through foundations or employer contributions, and in response to Governor’s WIA 15 Percent Discretionary funds initiatives such as the Nurse Education Initiative, which was regionally structured to provide grants to partnerships that represent multiple Local Areas. Another State initiative, the CREP, is providing vital economic and labor market information to Local Areas and is based on a regional model.

Local Boards report that most participate with other Local Boards in regional collaboratives which are issue-driven. One prominent example of regional organization is the San Joaquin Valley Partnership. Emerging from this effort are shared strategies addressing critical industries in the valley, shared career readiness certification systems, and new models for co-investing in delivery of training to meet the needs of businesses. Another example exists in Los Angeles County, where, eight Local Areas operate as a region for the purpose of marketing their One-Stop systems and services. These informal regions often shift based on the nature of the issues they are addressing. Santa Cruz County, for instance, is split nearly in half economically, with a southern portion that is largely agricultural and a northern portion that is largely high-tech based. Santa Cruz has joined with other adjacent agricultural neighbors in regional

efforts that focus on that industry, while participating regionally with northern neighbors who share in the high-tech industry sector.

The State Board will continue to work with Local Boards to encourage more regional planning, performance, and coordination of service delivery, potentially resulting in local administrative and programmatic efficiencies. Enhanced regional planning is also anticipated to improve the ability of Local Boards to meet the regional needs of California's economy.

F. Allocation Formulas (112(b)(12).)

- 1. If applicable, describe the methods and factors (including weights assigned to each factor) your State will use to distribute funds to local areas for the 30% discretionary formula adult employment and training funds and youth funds pursuant to §§128(b)(3)(B) and 133(b)(3)(B).**

The State will not be distributing Adult or Youth funds to Local Areas using the optional formula pursuant to Sections 128(b)(3)(B) and 133(b)(3)(B) of the WIA. California distributes the Youth funds through a standard formula [33 percent on the basis described in section 127(b)(1)(C)(ii)(I), 33 percent on the basis described in section 127(b)(1)(C)(ii)(II); and 33 percent on the basis described in clauses (ii)(III) and (iii) of section 127(b)(1)(C)]. California distributes Adult funds through a standard formula [33 percent on the basis described in section 132(b)(1)(B)(ii)(I), 33 percent on the basis described in section 132(b)(1)(B)(ii)(II); and 33 percent on the basis described in clauses (ii)(III) and (iii) of section 132(b)(1)(B)].

- 2. Describe how the allocation methods and factors help ensure that funds are distributed equitably throughout the State and that there will be no significant shifts in funding levels to a local area on a year-to-year basis**

By using the standard formula to distribute the Adult and Youth funds allocations to the Local Areas, California ensures adherence to the WIA prescribed and recognized method. The formula used to distribute the Adult allocations considers unemployed individuals in areas of substantial unemployment, the relative excess number of unemployed individuals in the State, and the relative number of disadvantaged adults. The formula used to distribute Youth funds will follow the first two factors for the Adult distribution but the third factor will be based upon the relative number of disadvantaged youth.

Any significant shift in funding that occurs due to changes in one or more of the factors within the formula is offset, in part, by the implementation of the “hold-harmless” provision. The “hold-harmless” provision guarantees that Local Areas will receive at least 90 percent of their average allocation percentages for Adult and Youth funds for the prior two years.

3. Describe the State's allocation formula for dislocated worker funds under §133(b)(2)(B).

WIA requires that a state allocate funds for the Dislocated Worker Program based on a formula prescribed by the Governor, who may amend the formula not more than once for each program year. The formula must utilize the most appropriate information available to distribute amounts to address the state's worker readjustment assistance needs.

California will allocate funds to the Local Areas for Dislocated Worker employment and training activities using the information as prescribed by the WIA. The EDD and the State Board will review the factors each year to confirm that the weight given each factor ensures that each Local Area receives an equitable share of the formula allocation. Any recommendation to change the existing factors will be forwarded to the Governor by the State Board.

In 2006, the State Board reviewed the Dislocated Worker allocation formula at the request of the State Legislature, and developed a new formula that will be implemented, after approval of the Secretary of Labor, for Program Year (PY) 2007-08. The distribution has been weighted to the following four factors:

- Long-term Unemployment Insurance (UI) Claims – weighted at 40 percent
- Mid-term UI Claims – weighted at 30 percent
- Short-term UI Claims – weighted at 10 percent
- Long-term Civilian Unemployment – weighted at 20 percent

For the WIA Dislocated Worker sub-state allocation formula, California will now use a hold-harmless provision similar to the provision in the WIA Adult and Youth sub-state allocation formula. The hold-harmless provision will help to mitigate year-to-year funding volatility by ensuring that each of the 49 Local Area's awards are no less than 90 percent of their average percentage share from the prior two years. Local Areas that receive more than 100 percent of their average percentage share from the prior two years will be proportionately reduced to ensure the funding necessary for the Local Areas that are below the 90 percent threshold. This provision also includes a three-year average percentage share for the first year only, in order to capture one year of data prior to the formula allocation policy change.

4. Describe how the individuals and entities on the State Board were involved in the development of the methods and factors, and how the State consulted with Chief Elected Officials in local areas throughout the State in determining such distribution.

The standard formula allocation method for distribution of Adult and Youth funds does not require input by the State Board, CEOs, or Local Boards. During WIA implementation, both the State Board and Local

Boards had opportunities to weigh in on the formula distributions. The State Board may, in consultation with Local Boards and CEOs, make policy recommendations to the Governor to adjust the manner in which the allocations are distributed to the Local Areas.

Late in 2005, an informal State Board/EDD workgroup recommended that the State prepare a report that assessed issues and alternatives related to the Dislocated Worker 60 Percent funding allocation formula. The EDD released a draft of that report in June 2006. The State Legislature voiced concerns, however, during budget hearings, about the reduction in Dislocated Worker formula funds to certain areas of the state as a result of federal changes in the use of Mass Layoff Statistics in the allocation formula. The Legislature subsequently included a provision in the budget bill that required the EDD, in consultation with the State Board, to research this problem and provided a report, with recommendations, to the legislature in January 10, 2007.

In response, the State Board formed an Ad Hoc Committee to address the issue and to develop recommendations for revising the Dislocated Worker sub-state funding formula. The committee held four publicly-noticed meetings that were conducted within a predetermined timeframe, and made its recommendations to the State Board at its November, 2006 public meeting.

The recommendations were posted on the State Board's website during a 30-day public comment period that ended prior to the November State Board meeting. The draft recommendations were also distributed to California's workforce community, including local CEOs, through the EDD Information Bulletin process. Summary comments were presented to the State Board Administration Committee, which approved the recommendations prior to the November State Board meeting, at which time the State Board approved them.

G. Provider Selection Policies (§§112(b)(17)(A)(iii), 122, 134(d)(2)(F).)

- 1. Identify the State policies and procedures, to be applied by local areas, for determining eligibility of local level training providers, how performance information will be used to determine continuing eligibility and the agency responsible for carrying out these activities.**

The State Board and the EDD developed California's Eligible Training Provider List (ETPL) in conjunction with State and local partners. The EDD's WSD administers the ETPL, and the policies and procedures to be applied by the local administrative entities for determining the eligibility of training providers are delineated in WIAD01-16, issued on April 15, 2002.

The State ensures that all providers and their programs on the ETPL are viable by requiring that applicants be authorized to operate within the State through a federal or State control agency. Local Boards are encouraged to evaluate performance information, particularly entered employment and completion rates, for programs to be included on the State's ETPL. The EDD Directive places the responsibility for monitoring of training sites at the local level.

California has had a waiver extending the period of initial eligibility of training providers and therefore has not implemented the Subsequent Eligibility procedures contained in [WIAD01-16](#). California has enhanced its automated ETPL system to accept and publish performance data. Ensuring informed customer choice requires good data for evaluation. The current WIA ETPL provisions make it difficult for a large, diverse state like California to insure equitable performance accountability for providers and programs. The State continues to explore a consistent and equitable method for calculation of comparable performance outcome data across training programs.

California would like to request continuation of the State's waiver of WIA Section 122 (c) through PY 2009. Please see Section X.C. for California's request to extend its ETPL subsequent eligibility waiver.

2. Describe how the State solicited recommendations from Local Boards and training providers and interested members of the public, including representatives of business and labor organizations, in the development of these policies and procedures.

California's current ETPL policy was developed in collaboration with a partner workgroup consisting of representatives from Local Areas, key State agencies, the training provider community, and other interested parties. Labor and business stakeholders had opportunities to comment at public hearings before the State Board. The final ETPL policy was heard and approved by the State Board on April 15, 2002.

In 2006, the State Board, in partnership with the DOL Region 6, Local Boards, State partners, and the EDD reviewed the existing directive and policies, particularly the policy on subsequent eligibility, with an eye towards making it easier for providers, specifically community colleges and adult education providers, to apply for ETPL eligibility. This effort resulted from concerns expressed by certain Local Boards and education providers that California's approved waiver of subsequent eligibility requirements was not understood and appreciated by all Local Boards and providers. A new directive ([WIAD06-15](#)) was issued removing subsequent eligibility requirements and providing other information and changes to expedite the initial eligibility process for education providers.

3. Describe how the State will update and expand the State's eligible training provider list to ensure it has the most current list of providers to meet the training needs of customers.

The EDD's WSD administers the ETPL through the JTA system. The detailed policy and procedures were modified in [WIAD06-15](#). The [California ETPL](#) is available on the Internet. The general administrative process follows:

- The training provider and Local Board staff completes the required State/Local application and submit the required data through the JTA system. The Local Board is required to certify that the

data provided by the training providers for initial and subsequent eligibility are complete. Local boards may make site visits to verify the viability of training providers. All training programs certified by a Local Board for inclusion on the ETPL must be approved to operate by a State or federal education agency or by the State Bureau of Private Post Secondary Vocational Education.

- Procedures related to denial, de-listing, and appeals are outlined in [WIAD06-15](#).
- Within a maximum of 30 days, State staff reviews the application for completeness. Applications that do not meet the minimum requirements for certification are returned to the Local Board for additional information review. State staff approves complete applications.

Approved applications are published on the statewide Internet-based list the next business day.

4. Describe the procedures the Governor has established for providers of training services to appeal a denial of eligibility by the Local Board or the designated State agency, a termination of eligibility or other action by the Board or agency, or a denial of eligibility by a One-Stop operator. Such procedures must include the opportunity for a hearing and time limits to ensure prompt resolution.

California ETPL appeal procedures are included in [WIAD06-15](#).

5. Describe the competitive and non-competitive processes that will be used at the State level to award grants and contracts for activities under title I of WIA, including how potential bidders are being made aware of the availability of grants and contracts. (§112(b)(16).)

California uses the procurement law governing all State agencies (California Public Contract Code, Article 1, Sections 10100 - 10285.5) to award competitive and non-competitive contracts using any federal or State funds. California also uses State policy, including specific guidance and procedures regarding the State contracting process, contained in the State Contracting Manual, prepared by the Department of General Services (DGS) with assistance from the State Contracting Advisory Network, and maintained by the DGS Office of Legal Services. The State Administrative Manual is published under the authority of the Department of Finance and DGS. The primary method of competitive bidding for contracts generally is referred to as the Request for Proposal (RFP). Potential bidders are made aware of funding available for competitive bid through notification in the California State Contracts Register 82.

When appropriate, the State will use a form of the RFP called the SFP to distribute competitive local grants under the Governor's WIA 15 Percent Discretionary funds. Grants will be available to public, private non-profit, and private for-profit entities through the SFP process, which will encourage the coordination of proposals with Local Boards. The availability of competitive grants will be advertised on

the State Board and EDD websites, among others, and through public notices mailed to interested parties. As appropriate, bidders' conferences will be held at various locations throughout the State to clarify the requirements for bid submittal and grant awards.

California's SFP process includes:

- Notification of available funding is posted on the State Board and/or EDD websites and mailed to an interested party mailing list of over 7,000 individuals. Additionally, both the State Board and the EDD provide free e-mail subscription services. Subscribers to the EDD e-mail list receive notification announcing the latest news about programs and services online, including what's new on the EDD's website, recently added forms and publications, events, and announcements;
- Release of the SFP to bidders and making it available via mail, e-mail, and the Internet;
- In order to allow for timely and consistent responses to questions potential applicants may have, the State has also implemented an electronic question and answer process. Questions are submitted by e-mail and answers are posted to the website on a flow basis;
- Requesting a letter of intent from prospective bidders;
- Bidders' conferences and grant writing workshops held throughout the State, conducted in person and through teleconferences;
- Upon receipt of proposals, teams of federal, State, and local-level partners complete evaluation and scoring using factors given specific numeric values;
- Scoring and comments are recorded on an evaluation rubric or scoring sheet. In the event of a significant difference in the scores between two teams, a third independent reading is done;
- Depending on the funding category, site visits are conducted for proposals reaching a threshold score. Onsite scores are compiled and added to proposal reader scores to arrive at final scores; and
- Staff presents recommendations to the funding authority for approval.

6. *Identify the criteria to be used by local boards in awarding grants for Youth activities, including criteria that the Governor and Local Boards will use to identify effective and ineffective Youth activities and providers of such activities. (§112(b)(18)(B).)*

California's Strategic Five-Year Plan for the WIA provided guidance to Local Boards on criteria to be used in identifying effective providers and youth activities. These criteria were developed collaboratively during the original WIA planning process and are used by Local Boards as guidance in developing their own criteria for competitively awarding grants for youth activities. These criteria are listed below:

Effective activities and programs criteria:

- Capacity to conduct necessary skills and needs assessments which will assist in identifying objectives;
- Ability to provide follow-up services for 12 months;
- Proof of coordination and collaboration with local secondary and post-secondary programs;

- Proof of prior experience working with disadvantaged, special populations, and diverse demographic youth groups;
- Proof of prior experience operating education, training, and employment programs for youth;
- Plans to leverage funding with other youth funding sources;
- Demonstration of sound fiscal responsibility;
- Proof of collaboration with profit, non-profit, public, and private youth providers, as well as employers within the community;
- Identification of connections to intermediary organizations linked to the job market and employers;
- Ability to provide youth services that directly respond to needs identified by a community;
- Innovative youth program design;
- Connection with the local One-Stop Career Centers; and
- Safe and easily accessible locations that comply with the Americans with Disabilities Act.

Effective youth provider criteria:

- Demonstrate acceptable performance;
- Include parents in customer satisfaction with services for youth age 14-18;
- Involve family members in determining service needs;
- Develop relationships between youth and mentoring adults;
- Provide strong case management to track program outcomes;
- Provide advocacy and support to minimize barriers to the success of youth;
- Assist clients with the skills to be self-sufficient;
- Maintain fiscal responsibility and accountability;
- Demonstrate prior success in involving local businesses and the employers in the education and training services provided to youth;
- Demonstrate that the program can provide new and innovative training;
- Provide comprehensive guidance and counseling;
- Provide accommodations for special-needs populations;
- Provide outreach services to school dropouts and out-of-school youth; and
- Establish high expectations.

Beyond the current criteria that Local Boards and their youth councils use in identifying effective youth providers and activities, the DOL's new strategic youth vision recognizes that out-of-school youth (and those most at risk of dropping out) are a vital segment of the new workforce. It notes that WIA-funded Youth programs must provide youth with quality secondary and postsecondary education and prepare them for entry into positions in high-growth industries and other employment opportunities.

As both the DOL and California develop their youth vision, additional criteria and guidance for Local Boards and their youth councils are being identified. These additional criteria, when developed, will emphasize service in four specific areas: alternative education; meeting the demands of business in a

rapidly changing economy utilizing sector strategies; youth most in need;; and improved performance (based upon the national implementation of common measures). The State Board's Special Committee on Lifelong Learning and the SYVT will play major policy roles in implementing the federal shared vision for youth and its attendant service strategies.

H. One-Stop Policies (§112(D)(14).)

1. Describe how the services provided by each of the required and optional One-Stop partners be coordinated and made available through the One-Stop system. (§112(b)(8)(A).)

California's strategy to ensure services are provided by each of the One-Stop partners through local One-Stop systems will be discussed in Section IX.A.1., "One-Stop Delivery Strategies." The EDD's WSB has provided guidance and technical assistance to ensure that Wagner-Peyser services are delivered through local One-Stop systems in ways that minimize duplication of services and costs. To this end, EDD is test piloting a program with 12 local workforce investment boards throughout the state and integrated service delivery model.

As a part of the Governor's vision and priorities for the workforce system in California, the State Board is exploring ways to maximize the amount of public and private workforce resources that are expended on training in demand occupations in industries vital to the State's economy. Continuing to improve intergovernmental relations, forge stronger partnerships, and strategically target both public and private resources are Governor's priorities that are guiding the State Board as it explores issues such as how to better align Wagner-Peyser funding with WIA Title-I funds to avoid the duplication of core services and how to better align workforce development with education and business.

As described in the Plan Development Process at the beginning of this plan, State and local One-Stop partners participated in a meaningful way in the development of the State Plan, and had similar opportunities, particularly through committee work, for engaging in the substantive policy discussions that led to this current revision of the plan. Many of the issues and strategies that special committees have addressed relate to better collaboration and coordination as a means of maximizing the integration of partner services in the One-Stop system. Section III.C.1 briefly discusses how the State will improve collaboration and coordination, which includes goals, such as better sharing of resources, which are integral to improving the integration of services within the One-Stop systems. Section IX.C.4.d. briefly discusses some specific steps the State is already taking to better coordinate and integrate the Rapid Response, Dislocated Worker, and Trade and Globalization Adjustment Assistance Act of 2009 (TGAAAA) programs within the One-Stops.

The EDD also has implemented structural changes as a means of reducing the duplication of services. The administrative separation of the Job Service Division Central Office and the Workforce Investment Division within the EDD's Workforce Services Branch (WSB) had created some parallel efforts in service

delivery. To address this, the EDD has consolidated these divisions into the WSD, a single integrated unit within the WSB to unify services and streamline coordination.

7. Describe how the State helps local areas identify areas needing improvement and how technical assistance will be provided.

The EDD and the State Board assist Local Boards in identifying areas needing improvement through fiscal and compliance monitoring and the deployment of EDD's Regional Advisors, who act as technical assistance liaisons with every Local Area in California. When improvement areas are identified through monitoring, they are communicated to the Regional Advisors, who then provide technical assistance to the Local Areas and assist the Local Areas in developing and implementing corrective action strategies. Technical assistance is also provided through WIA directives and guides such as the WIA Title I Eligibility Technical Assistance Guide.

The EDD's WSD offers capacity building and technical assistance through their website, information bulletins, the CBU, a Local Area Administrator's group, and various other workgroups that are formed to resolve issues around critical program and administrative areas in the WIA. The State Board and the EDD are committed to continually improving State-level technical assistance and capacity building.

8. Identify any additional State mandated One-Stop partners (such as Temporary Aid to Needy Families (TANF) or Food Stamp Employment and Training) and how their programs and services are integrated into the One-Stop Career Centers.

The Workforce Training Act requires that small business development centers, where they exist, become partners in the local One-Stop systems. Other than this new partner, California has not mandated additional One-Stop partners, although an important optional partner that participates in nearly of all of the local One-Stop systems is the TANF program (CalWORKS in California) that is operated locally by County Welfare Departments. This participation of CalWORKS in local One-Stop systems dates back to California's original One-Stop systems building effort starting in 1995, and was enhanced considerably with the 1997 Welfare-to-Work Grant Program. Most Local Areas have successfully integrated programs, customers, and staff into the One-Stop centers. In 2005, the CDSS provided in regulation that County Welfare Departments also register transition age foster youth at their local One-Stop Career Centers.

I. Oversight/Monitoring Process -- Describe the monitoring and oversight criteria and procedures the State utilizes to move the system toward the State's vision and achieve the goals identified above, such as the use of mystery shoppers, performance agreements. (§112(b)(14).)

In 2004, the State Board contracted with UC Davis to conduct the first statewide evaluation of California's implementation of the WIA. The evaluation used a "phased" approach, and phases, as well as a final report, have now been completed. The first report identified "opportunities for leadership" for the State Board and recommendations with which the Governor, the LWDA, and the State Board worked to revitalize the board and redirect the workforce system. One of the Governor's primary objectives, for instance, as described in Section I of this plan, is to minimize administrative costs and eliminate duplication of services in order to increase the workforce system's capacity for training existing and future workers with the skills required by the new economy. The interim and final evaluation reports are available through the State Board's website at <http://www.calwia.org>.

In 2009, the State Board continues to further its evaluation of its statewide One-stop system. Evaluation of the service delivery effectiveness and resource sharing is achieved through the integrated service delivery pilot program being implemented in 12 local areas around the State. The results of this evaluation will be used to inform the ongoing development, implementation and expansion of the integrated service delivery model. This subsequent study will assist in developing strategies and guidance that Local Boards can use to increase administrative and service delivery efficiencies, which may afford more funding for training, business and intensive services. One expected result of the cost study is information that would confirm California's alternative approach to cost allocation and resource sharing. In that event, the State would continue to actively inform and seek approval from the DOL to utilize this new model statewide.

The State Board, through its One-Stop cost study, continues to explore these costs and integration challenges in order to identify opportunities to maximize the use of workforce resources for training and other direct services to both workers and businesses. Results of these ongoing statewide evaluations, along with results of the State's various compliance monitoring activities, are being used by the LWDA and the State Board to help inform collaborative policy discussions about issues with the system that serve as barriers to achieving the Governor's vision and priorities. This information will also be vital to supporting the strategic planning process required by SB 293.

The EDD ensures that the WIA is implemented in a manner that is consistent and compliant with law. The EDD's Compliance Review Division (CRD) conducts annual on-site reviews of each Local Area's administration of its 85-percent formula funded programs for compliance with programmatic and administrative requirements of the WIA. The CRD also conducts on-site reviews of the WIA 15 Percent and 25 Percent discretionary funded projects. These projects are monitored on a sample basis based on the level of risk as determined by the amount of the award and historical data such as operational experience and prior noncompliance issues.

The EDD's Equal Employment Opportunity Office uses a Nondiscrimination and Equal Opportunity Self-Evaluation process to monitor for compliance with WIA Section 188 and 29 CFR Part 37 Equal Opportunity and Nondiscrimination provisions. In addition, the Equal Employment Opportunity Office conducts reviews of selected One-Stop sites. The EDD's CRD issues reports to the Local Areas identifying concerns, for which Local Areas must submit corrective action plans. These corrective actions plans are then tracked by the CRD for implementation.

Finally, representatives from the EDD's WSB, Fiscal Programs Division, and Unemployment Insurance Branch (UIB) review the Trade Program. The agreed-upon process includes a review of paper documents pulled on a random schedule; UIB documented review results issued to the WSB; and, if responses warrant corrective action, the WSB follows up with a corrective action plan. This review is performed on a quarterly basis and is part of the mandatory DOL tripartite review process.

J. *Grievance Procedures. Attach a copy of the State's grievance procedures for participants and other affected parties (including service providers.) (§§122(g) and 181(c).)*

The State recently updated its Grievance and Complaint Procedures by issuing directive WSD08-04 on September 3, 2008. This directive provides guidance to Local Areas and sub-recipients of the WIA Title I grant funds in the development, maintenance, and implementation of local-level grievance and complaint procedures. These procedures cover complaints alleging non-criminal violations of the requirements of the WIA in the operation of local WIA programs and activities. It also transmits policy governing WIA Title I related grievance and complaint procedures at the State level.

K. *Describe the following State policies or procedures that have been developed to facilitate effective local workforce investment systems (§§112(b)(17)(A) and 112 (b)(2).)*

1. *State guidelines for the selection of One-Stop providers by Local Boards;*

Due to diverse economic, demographic, geographic, and political composition of California's 49 Local Areas, the State Board has left decisions on the choice of One-Stop Operators to each of the 49 Local Boards. The Local Boards follow the guidelines in the WIA Section 121 (d) (1 & 2) in selecting their One-Stop Operators. The Workforce Training Act provided additional requirements to local areas regarding the selection and review of One Stop operators. These instructions are contained in directive WIAD06-21 issued June 29, 2007.

2. *Procedures to resolve impasse situations at the local level in developing (MOUs) to ensure full participation of all required partners in the One-Stop delivery system;*

California has attempted to avoid impasse situations by addressing the primary source of disagreement regarding finalization of MOUs (i.e., agreements regarding funding of One-Stop operational costs). The State has:

- Encouraged local participation in the DOL's training seminars on One-Stop financial management;
- Promoted DOL-contracted technical assistance focused on this subject;

- Provided assistance with local negotiations through EDD's Regional Advisors;
- Surveyed local and State entities regarding the issues preventing resource sharing agreements; and
- Attempted to work with local partners and DOL to find alternative approaches to resource sharing.

In order to ensure that Local Areas comply with the notification and sanction provisions specified in 20 CFR 662.310 (b) and (c), the State issued a directive that reminds Local Areas and their required One-Stop partners of their responsibility, in the event of non-signature of an MOU, to inform the State Board and the State agency responsible for administering the partner program. [WIAD05-06](#) provides the relevant State-level contact information. When State agencies are notified of an impasse situation, the EDD will convene a meeting with pertinent State and local partners to identify the underlying issues and attempt to facilitate a resolution to those issues. The directive also addresses the sanctions provided in the WIA regulations for failure to execute an MOU. The State also will ensure that future impasse notifications are conveyed to the DOL and other appropriate federal agencies.

Most Local Areas have participated in DOL training seminars on One-Stop financial management, while many have agreed to work with DOL contractors in an attempt to develop resource-sharing agreements. Despite these actions, many have yet to agree on and document how resources will be shared. For this reason, California continues to explore alternative approaches that might help resolve stalemates in some situations, provide better management information about One-Stop operational costs, and that are consistent with good business practices, sound accounting principles, the WIA, and Office of Management and Budget (OMB) cost circulars. California will continue to work with the DOL in pursuing the development of a viable alternative approach so that the State can ensure full participation of partners in the One-Stop system.

3. Criteria by which the State will determine if Local Boards can run programs in-house;

The State published the policy and procedures for Waiver of Training Prohibition to the Local Boards in February 2000. The policy prohibits Local Boards from providing training services for adults and dislocated workers without a written waiver from the Governor. Local Boards may provide training services only for a specific training program, such as welding. Blanket waivers to provide training services are not granted, except under extraordinary circumstances.

The following describes the minimum information required to request a training waiver:

- Program of Training – The Local Board must specify the training program for which the waiver is requested. All requests for training waivers must include the local WIA plan.
- Insufficient Providers – Evidence of insufficient number of eligible providers of such a program of training services to meet local demand in the Local Area.
- Eligible Training Provider – Evidence that the Local Board meets the requirements for an eligible provider of training services under the WIA Section 122 and established State policies.

- Demand Occupation – Information that the program of training prepares participants for an occupation that is in demand within the Local Area.
- Public Comment – The Local Board has made the waiver request available for a public comment period of not less than 30 days.
- Copies of Comments – Copies of public comments received during the public comment period must accompany the waiver request.
- The waiver request must be signed by the CEO or designated representative and submitted to the State Board.

4. Performance information that on-the-job training and customized training providers must provide;

As allowed under the WIA Section 122(h)(1), the Governor has excluded OJT and customized training providers from the requirements of the ETPL. The Governor has not established separate data collection requirements for these providers.

5. Reallocation policies;

In California, the policy for the reallocation of WIA funds is provided to Local Areas through written directives issued by the EDD. These directives provide background for the reallocation requirements of the WIA and provide examples and instructions on the recapture and reallocation processes. These directives also address the effects the recapture of funds will have on the administrative funds maintained in the Local Area.

6. State policies for approving local requests for authority to transfer funds between the Adult and Dislocated Worker funding streams at the local level;

California's policy for the transfer of WIA funds between the Adult and Dislocated worker funding streams was established based on a series of TEGLs issued by the DOL, as well as DOL approved waiver that allows transfer of up to 100 percent of the funds. In accordance with these TEGLs and the approved waiver, the EDD issued directive ([WSD08-02](#)) to the Local Areas advising them of the latest policy and procedures required for administering or requesting a transfer between the two funding streams. The Governor has requested the continuation of this waiver for the 2009 Program Year.

7. Policies related to displaced homemakers, nontraditional training for low-income individuals, older workers, low-income individuals, disabled individuals and others with multiple barriers to employment and training;

The State policy, issued in California's WIA Title I Eligibility Technical Assistance Guide, gives authority to Local Boards to develop and implement local policy guidance, procedures, and definitions targeting services to special participant populations such as displaced homemakers, nontraditional training for low-income individuals, older workers, low-income individuals, and others with multiple barriers to employment and training. The local policy must be consistent with State and federal policy. Limitations on funding may also require that Local Boards establish policies regarding priority of service to specific population groups within the low-income and public assistance recipient categories. Such priority of service policy is included in local plans.

The State has additionally developed specific policy and initiatives for some of the groups to which the question refers. For example, the EDD and CDE collaborated on an information bulletin, [WIAB03-46](#), that provides information about Adult Education and Family Literacy program providers at the local level. Other examples include ensuring that persons with disabilities have equal access to information and services funded by WIA Title I programs and its partners through the following policy directives:

- **WSD07-6, *Nondiscrimination and Equal Opportunity Procedures***, that updates the State's policy on the nondiscrimination and equal opportunity procedures for WIA Title I financially assisted programs or activities;
- **WSD07-7, *Biennial LWIA Self Assessment***, communicates the requirements regarding compliance with State and federal disability laws and procedures for ensuring accessible physical environments for all customers, including individuals with disabilities; and
- **WIAD00-7, *Standards for Oversight and Instructions for Substate Monitoring***, that transmits the general standards for the Local Boards' oversight responsibilities pertaining to WIA Title 1 funded programs.

Another general State policy is to develop and support public/private partnerships to increase coordination of efforts that assist older workers and other special populations. For example, the EDD established a Senior Worker Advocate Office (SWAO), which is required to develop partnerships to facilitate the employment of older workers. The SWAO works with the One-Stop Career Centers, the Senior Community Service Employment Program (through California's Department of Aging), area Agencies on Aging, adult education, and community colleges to improve access for older adults to help them obtain the support services and training they need to remain in or to re-enter the workforce. Some of the partnerships/activities supported by the SWAO include: employment assistance referrals; job development; Older Worker Week Job Fairs; One-Stop staff training; California Career Planning; and Experience Unlimited Job Clubs.

8. If the State did not delegate this responsibility to Local Boards, provide your State's definition regarding the sixth Youth eligibility criterion at section 101(13)(C)(iv) ("an

individual who requires additional assistance to complete an educational program, or to secure and hold employment”). (§§ 112(b)(18)(A) and 20 CFR 664.210).)

The State delegates the responsibility to Local Boards to define the sixth youth eligibility criterion in their local WIA plans based on local needs.

IX. SERVICE DELIVERY

Describe the approaches the State will use to provide direction and support to local Boards and the One-Stop Career Center delivery system on the strategic priorities to guide investments, structure business engagement, and inform service delivery approaches for all customers. (§112(b)(17)(A).) Activities could include:

A. One-Stop Service Delivery Strategies: (§§112(b)(2) and 111(d)(2).)

1. How will the services provided by each of the required and optional One-Stop partners be coordinated and made available through the One-Stop system? (§112(b)(8)(A).)

California's ongoing planning process has included extensive discussions with One-Stop representatives and State- and local-level One-Stop partners. A recurring issue in these discussions has been that State-level agency coordination is a matter vital to ensuring the statewide One-Stop Career Center System maintains the necessary mix of partner programs and services that meet the needs of workers and businesses throughout the State. Better coordination of partner programs at the State level is necessary to minimize local barriers to program coordination and integration, and to maximize the use of public resources. To this end, the state is currently piloting, with the support of local boards, the integrated service delivery model in 12 local areas. The model creates a common pool of co-enrolled customers composed of adult and dislocated workers, Wagner-Peyser, long term unemployed, Veterans, migrant seasonal farm workers and Trade and Globalization Adjustment Assistance Act of 2009 (TGAAAA). A common set of services are available to all customers in the pool through a common customer flow that shares resources and staff. The ongoing implementation, evaluation and development of new and effective service delivery strategies gleaned from this pilot are consistent with the Governor's key priorities for California's public workforce system, which include:

- Improving State and local government partnerships to maximize the use of public and private resources and to direct savings into improved and expanded services such as workforce training; and
- Increasing State and local partnerships and linkages between the education, workforce, and economic development systems.

Along with better State-level coordination, the State Board is taking steps to ensure that California's network of local One-Stop systems focus on services rather than programs in addressing the needs of workers and of businesses. Included in these steps are:

- Providing local planning guidance that assists Local Boards in facilitating linkages among partner programs and systems;
- Ensuring State- and local-level accountability by guiding outcome-based linkages among partner programs and systems;
- Developing cost sharing options and service integration strategies that will optimize the administrative expenditures of WIA funds while better supporting One-Stop infrastructure and expanded business services and training; and

2. *How are Youth formula programs funded under (§128(b)(2)(A) integrated in the One-Stop system?*

In California's locally driven workforce system, the Local Boards, in partnership with their local youth councils, develop and enhance relationships with local agencies and service providers to ensure that necessary services are available to eligible youth through their One-Stop systems. Local Boards are also encouraged to work in conjunction with their CEOs to appoint a comprehensive array of representatives from local youth service providers, parents, supportive service organizations, and other interested parties to their local youth councils.

Additionally, in light of the recent economic downturn, the Governor is focusing the American Recovery and Reinvestment Act (ARRA) workforce funding to preserve and create jobs – including those for youths – that promote California's economic recovery and prosperity. Moreover, Governor Schwarzenegger will use the ARRA funds to expand California's capacity to assist those most impacted by the current historical recession.

All 49 of California's Local Boards have ensured that WIA Youth programs are integrated into their One-Stop systems. The degree of integration varies from Local Area to Local Area, as does the nature of integration. Some Local Boards have established stand-alone youth One-Stops, while others have integrated youth services into their comprehensive One-Stops. Youth services are also accessible through the One-Stop systems via Internet-based programs and effective information and referral between physical centers.

3. *What minimum service delivery requirements does the State mandate in a comprehensive One-Stop Centers or an affiliate site?*

Comprehensive One-Stop Career Centers in California provide access to a full range of services pertaining to employment, training, education, employer assistance, and guidance for obtaining other assistance. While the WIA requires One-Stop centers to provide specific services, California's Local Areas have the option to design programs and provide services, including services to businesses and employers that reflect the unique needs of their communities.

One-Stop centers use varied strategies in providing the appropriate services to meet the needs of their customers:

- Core Services are available and include, but are not limited to, labor market information, initial assessment of skill levels, and job search and placement assistance.
- Intensive Services are available to eligible unemployed individuals who have completed at least one core service, but have not been able to obtain employment, or employed individuals needing additional services to obtain or keep employment that will lead to personal self-sufficiency.

- Training Services are available to eligible individuals who have met the requirements for intensive services and have not been able to obtain or keep employment. Individual Training Accounts (ITA) are established to finance training based upon the individual's choice of selected training programs.

The following list represents standard One Stop Career Center services for job, education, and training seekers in California:

- Outreach, intake, and orientation;
- Initial assessments of skills, aptitudes, abilities, and need for support services;
- Program eligibility determination;
- Information on employment statistics, job vacancy listings, the ETPL, supportive services, and UI filing instructions;
- Resource room usage;
- Access to the Internet;
- Workshops and Job Clubs;
- Employment Plan development;
- Career counseling;
- Job Development and job placement;
- Work adjustment counseling and guidance;
- Comprehensive and specialized assessments;
- Case management;
- Short-term pre-vocational services;
- Post-employment counseling and guidance follow-up services;
- Occupational skills training;
- Workplace training and cooperative education programs;
- Private sector training programs;
- Skills upgrade and retraining;
- Entrepreneurial training;
- Job readiness training;
- Adult education and Literacy activities, alone or in combination with training; and
- Customized training.

4. *What tools and products has the State developed to support service delivery in all One-Stop Career Centers Statewide?*

California recognizes that its labor market information system is central to implementing a demand-driven workforce system. To support quality services through the local One-Stop systems, California provides a user-friendly labor market information system for use by job seekers, program administrators, economic

developers, and researchers. This system provides print and on-line products, as well as personal services to ensure that the One-Stop Career Center System and its customers have the information they need. One-Stop Career Centers each have resource rooms that serve as the nexus of information delivery to customers. California encourages resource room operators in all of the comprehensive One-Stop Career Centers to make the primary workforce information website, www.labormarketinfo.edd.ca.gov, and the labor market information delivery system on the center's personal computers.

The EDD's LMID provides staff services through Local Labor Market Consultants and through a centralized call center. In October 2004, the LMID's out-stationed staff started an annual review of the electronic and print products available at each One-Stop Career Center's resource room. This annual review will help ensure that the One-Stop Operators understand the array of electronic and print labor market information products available to them and so they can easily guide customers through finding and using those materials.

Along with the website and the printed materials, the Local Labor Market Consultants offer first-line dissemination of labor market information and technical assistance to Local Boards and One-Stop centers, helping them understand the changing skill and economic needs in their communities. With this information, Local Boards are better prepared to meet the local employers' skill needs by funding training for occupations that are in high demand in that area. Without an understanding of this industry/occupational data, the Local Boards are limited in their ability to measure the actual need.

The EDD provides many other Internet-based tools that support service delivery in and through all of California's One-Stop Career Centers. One such tool is CalJOBSSM, California's basic labor exchange system. Other examples are the best practices information, announcements of funding availability, special projects information, and access to information bulletins and directives through the EDD's WSD website.

5. ***What models/templates/approaches does the State recommend and/or mandate for service delivery in the One-Stop Career Centers? For example, do all One-Stop Career Centers have a uniform method of organizing their service delivery to business customers? Is there a common individual assessment process utilized in every One-Stop Career Center? Are all One-Stop Career Centers required to have a resource center that is open to anyone?***

In an effort to improve its workforce system, California is exploring ways to restructure its service delivery. In July 2008, California implemented the Integrated Service Delivery Model (ISD) through 12 Local Area "learning labs". The model creates a common pool of co-enrolled customers composed of adult and dislocated workers, Wagner-Peyser, long term unemployed, Veterans, migrant seasonal farm workers and Trade and Globalization Adjustment Assistance Act of 2009 (TGAAAA). A common set of services are available to all customers in the pool through a common customer flow that shares resources and staff. These new methods and program design will ensure that our services and training are aligned with current local and regional labor market requirements. As a result, each One-Stop Career Center client

through a common set of value added services designed to increase their employability and their chances of retaining jobs and advancing them. This model will provide new guidance and a basic level of uniformity throughout the statewide One-Stop Career Center System

While California limited participation in the Learning Lab pilot, the State encourages Local Areas to begin or continue looking for ways to improve service coordination and integration. The ARRA funds can help other Local Areas to improve service coordination and integration.

Developed by a team of State and local partners, California's WIA Title I Eligibility Technical Assistance Guide provides service delivery guidance to Local Areas. This guide, which is updated as necessary, provides State policy as well as blank sections in which Local Boards can insert more specific local policy. The State also provided extensive guidance to Local Areas when they were initially developing their One-Stop systems prior to the WIA, as well as a reissuance of that guidance during the implementation of the WIA. The State plans to make the integrated service delivery model a precursor to both a local and statewide commitment for resource integration among WIA Adult and Dislocated Worker, Wagner-Peyser, Veteran, MSFW and TGAAAA programs. The State will use the WIA Title I Eligibility Technical Assistance Guide to update new policies and processes resulting from the new integrated service delivery model.

B. Workforce Information

A fundamental component of a demand-driven workforce investment system is the integration and application of the best available State and local workforce information including, but not limited to, economic data, labor market information, census data, private sources of workforce information produced by trade associations and others, educational data, job vacancy surveys, transactional data from job boards, and information obtained directly from businesses. (§§111(d)(8), 112(b)(1), and 134(d)(2)(E).)

- 1. Describe how the State will integrate workforce information into its planning and decision-making at the State and local level, including State and local Boards, One-Stop operations, and case manager guidance.***

California's workforce information system offers a wide range of information and support to the State and Local Boards, One-Stop Operators, and case managers to support planning and decision-making. On an annual basis, the LMID provides PIPs that deliver State and local social, economic, and demographic data to the State and Local Boards. These PIPs help workforce organizations identify target group needs and make appropriate resource allocations for employment and training activities. In addition, on an "as requested" basis, the State's labor market information program provides Local Areas with employment, census, and/or labor force data to facilitate more specific planning or economic development needs. This includes customized data runs, maps, and local consultation services.

In addition, the State Board has partnered with LMID and the Economic Strategy Panel to provide training and information to State and local stakeholders on the use of the Industry Clusters of Opportunity Methodology. This analysis, performed on a local, regional, or state level identifies industry sectors that would sustain or increase the state's economic vitality. The State Board and its Green Collar Jobs Council are using this information to seed initiatives to serve the emerging green economy by incentivizing the development of regional partnerships.

- 2. Describe the approach the State will use to disseminate accurate and timely workforce information to businesses, job seekers, and employment counselors, in easy to use formats that are readily accessible within One-Stop Career Centers and at remote locations such as libraries, schools, worksites, and at home.**

California's workforce information system offers user-friendly on-line, in print, and personal support services to assist customers, including businesses, job seekers and other professionals such as employment counselors, regardless of the setting. The LMID's website provides all available workforce information to customers on-line, 24/7, regardless of one's setting. To make it easier for people to use the site, customer-based portal pages point people to the information they typically need, thus limiting "information overload." The LMID has designed special portal pages for economic developers, schools, workers, businesses, job seekers, researchers, workforce partners, and EDD staff.

The LMID provides personal support for using any of its products and services through their Local Labor Market Consultants situated throughout the State, as well as through a centralized public information call center that responds to telephoned or e-mailed information requests. Analyses and interpretations of data are available in print and/or on-line publications and articles that can be easily downloaded and printed. Regardless of one's location or information need, workforce information is readily available to facilitate informed decisions.

- 3. Describe how the State's Workforce Information Core Products and Services Plan is aligned with the WIA State Plan to ensure that the investments in core products and services support the State's overall strategic direction for workforce investment.**

The LMID has aligned California's Workforce Information Core Products and Services Plan to compliment the current WIA Strategic Plan, supporting the overall strategic direction for workforce investment. The grant plan was designed, as well, to respond to the State Board's strategic direction, in which workforce information was a primary goal. Workforce information is the key to supporting informed choice in the workforce system. The State's core products and services are directly responsive to the needs of the workforce system and the State will:

- Continue to populate the ALMIS database – the database is the back end to a comprehensive workforce information website, ensuring the most current and relevant information is available to customers via the Internet;
- Produce and disseminate short- and long-term industry and occupational employment projections – projections reflect industry and occupational trends, essential to career and program planning;
- Provide occupational and career information products for public use – targeted career research currently underway and sponsored by this grant supports business’ recruitment efforts, and workforce developers’ training program planning, and is specifically focused on occupations in High Growth Job Training Initiative industries;
- Ensure workforce information and support – this portion of the grant provides a wide range of products and services endorsed by the State Board, including public information services; customer outreach and marketing; labor market research; collecting and delivering employment data not sponsored by the BLS – agricultural and small counties; and providing geographic information system services;
- Maintain and enhance Internet delivery systems – supports development and maintenance of three customer focused Internet web sites: www.labormarketinfo.edd.ca.gov, www.calmis.ca.gov and www.worksmart.ca.gov, as well as one intranet website. In addition, the staff involved in these delivery systems support a customer database that is maintained on the intranet; and
- Support state workforce information training activities – provides customized training and consultation as needed, as well as customer focused portal pages and an on-line website tour.

4. Describe how State workforce information products and tools are coordinated with the national electronic workforce information tools including America’s Career Information Network and Career Voyages.

California’s workforce information websites include articles about the national tools as well as links to ACINet, Career Voyages, and America’s Job Bank. In addition, California has developed a marketing brochure, Tools for Career Exploration, which lists and describes local, State, and national career tools in an attractive matrix that is available both in print as well as a linked version on-line. The national tools are highlighted on this product.

C. Adults and Dislocated Workers

1. Core Services. (§112(b)(17)(a)(i).)

- a. Describe State strategies and policies to ensure adults and dislocated workers have universal access to the minimum required core services as described in §134(d)(2).**

Core services, such as initial assessment, local labor market information, and job search assistance are increasingly available through self-access, principally as Internet-based programs. In an effort to improve

access to services, California is testing a new service delivery structure in a dozen Local Areas. The integrated service delivery model creates a new local workforce system that is skill-based and moves all One-Stop Career Center customers through a common set of value-added services designed to increase their employability and their chances of retaining jobs and advancing in them

California has developed this integrated service delivery model to address 21st Century industry demands. Twelve Local Areas are participating in the “Learning Lab” pilot to test the model. The model’s methods and program design will ensure all adults and dislocated workers have universal access to required core services. However, the One-Stop Career Centers participating in the pilot have reported a significant increase in the number of customers served. And other Local Areas report sharp increases in the demand for their services due to the current economic downturn. The infusion of ARRA dollars will help increase the staffing levels and the One-Stop Career Center’s capacity to serve more customers

The Governor’s Committee continues to act in a policy advisory role within State government – as mandated by AB 925. Staffed by the EDD’s WSB, the Governor’s Committee focuses on policy and program needs that ensure people with disabilities have access to public workforce system services that enable them to gain and retain employment. In 2006, the Governor’s Committee released *The California Comprehensive Strategy for the Employment of People with Disabilities* (Strategy), the first state plan of its kind. The Strategy guides California toward better integration of employment support and employment services. The Strategy is available at <http://www.edd.ca.gov/gcepdind.asp>. One of the Strategy goals is to ensure that the State Board and local One-Stop Career Centers promote universal access in order to achieve full compliance with State and federal laws and to increase employment of people with disabilities. To help reach that goal, California funded 26 Disability Program Navigators (DPN) in 16 Local Areas to increase physical, programmatic, and communication access in One-Stop Career Centers.

Moreover, as described in other areas of the State Plan, California has taken various measures to ensure universal access to One-Stop services, such as conducting Farm Worker Forums, facilitating and advocating for the integration of community-based organizations, and local piloting of universal access tracking. These efforts are expected to increase with the addition of ARRA dollars. California will continue to develop a demand-driven system by ensuring that all Californians having access to One-Stop universal, core services and are placed in jobs in industries vital to California’s economy.

- b. Describe how the State will ensure the three-tiered service delivery strategy for labor exchange services for job seekers and employers authorized by the Wagner-Peyser Act include (1) self-service, (2) facilitated self-help service, and (3) staff-assisted service, and are accessible and available to all customers at the local level.***

California designed its core service delivery system around the three-tiered service delivery strategy. The EDD’s Workforce Services Branch (WSB) ensures the strategy by co-locating where the majority of customers do business and by improving automated systems such as CalJOBSSM, California’s job-opening matching system. California’s existing system and the new integrated service delivery model actively promotes and markets the option of self-service to all customers. The infusion of ARRA funds will

provide additional ES staff in One-Stop Career Center resource rooms to provide facilitated self-help to more customers, and increase the number of group workshops where customers have access to facilitated or staff-assisted service. Staff assisted service is available to anyone that is unable or unwilling to use self-service.

In addition, the ES supports bilingual staff to provide translation assistance to anyone with limited English skills, including deaf and hard of hearing. The service is available either in-person or by telephone. The additional ARRA dollars will increase the One-Stop Career Center's capacity to provide job search assistance and other core services to more job seekers.

- c. Describe how the State will integrate resources provided under the Wagner-Peyser Act and WIA Title I for adults and dislocated workers as well as resources provided by required One-Stop partner programs, to deliver core services.***

Under the new integrated service delivery model, California plans to more effectively integrate resources provided under the Wagner-Peyser Act and WIA Title I for adult and dislocated workers. The integrated service delivery model creates a common pool of co-enrolled customers composed of adult and dislocated workers, Wagner-Peyser, long term unemployed, Veterans, migrant seasonal farm workers and Trade and Globalization Adjustment Assistance Act of 2009 (TGAAAA) certified workers. A common set of services are available to all customers in the pool through a common customer flow that shares resources and staff. The Learning Lab pilots are testing new service delivery models that the State plans to use as precursors to both local and statewide commitments for resource integration among WIA Adult and Dislocated Worker, Wagner-Peyser, Veteran, MSFW, and TGAAAA programs. The EDD's ES labor exchange activities are integral in providing WIA Title I services by strategically locating service delivery points in at least a single comprehensive One-Stop Career Center in each local area, and in affiliated One-Stop locations based on community need.

Rents and leases are negotiated (based on local need, local resource sharing agreements, and memoranda of understanding) with Local Boards and partners to document specific provisions of service. The agreements define the roles and responsibilities of partners, identify joint planning for the provision of services to common customers and development of projects that serve identified community needs, and ensure coordination of employer job identification efforts. Workforce Services field division chiefs, deputy chiefs, and managers are involved in the new integrated service delivery model. They are authorized to participate on Local Boards and to act as One-Stop Career Center Operators. This helps to ensure the integration of Wagner-Peyser Act services into the local systems.

The ARRA funds will support existing needs and provide an additional resource to address issues related to system integration, collaborative marketing, capacity building, services and staffing, accountability, and universal access.

2. *Intensive Services. (§112(b)(17)(a)(i).)* Describe State strategies and policies to ensure adults and dislocated workers who meet the criteria in §134(d)(3)(A) receive intensive services as defined.

California's Local Boards all provide employment and training activities as required under WIA sections §134(d)(3)(A). The statewide provision of intensive services is built on the principle of informed customer choice and provides an opportunity for customers to make informed choices about services available, allowing access to the full range of education, training, and employment services. Local Boards follow the WIA Title I Eligibility Technical Assistance Guide, issued by the EDD to guide the provision of core, intensive, and training services. The EDD also provides training and technical assistance to all Local Areas and One-Stop centers that require it. Finally, the State Board develops and issues separate guidance, as necessary, such as a WIA information bulletin that clarified the provision of intensive and training services to farm workers as Dislocated Workers.

3. *Training Services. (§112(b)(17)(A)(i).)*

a. *Describe the Governor's vision for increasing training access and opportunities for individuals including the investment of WIA Title I funds and the leveraging of other funds and resources.*

The Governor's overall vision for California's workforce system, as described in Section I, includes the requirement for the State and Local Boards to improve at targeting resources to areas with the most economic impact; and achieving a more efficient use of public and private resources.

Both of these improvements will have an influence on training access and opportunities for Californians. The Governor has already directed the use of WIA 15 Percent Discretionary funding to increase training access and opportunities for individuals in the three areas of high-wage, high-growth occupations; advancing workers with barriers to employment; and industries with statewide labor shortages. By investing discretionary funding in these areas critical to California's economy, the Governor is stimulating similar investments at the local level. Investments of WIA 15 Percent Discretionary funds through SFPs, for instance, have enhanced partnerships between One-Stop systems, Local Boards, regional and community organizations, labor organizations, industry or employer associations, employers, and educational institutions.

In addition, the State Board is recommending that the Governor invest discretionary resources in a regional industry planning initiative. This initiative will increase the number of Local Boards engaged in data-driven planning and implementing Sector Strategies. It will enhance the capacity of Local Workforce Investment Boards and One-Stop centers to serve workers in the context of regionally relevant industries. Local Boards, (due to their relationships with local elected officials, board members and partners) and the One-Stop centers they oversee are well positioned to convene industry and employer associations, employers, and other workforce development related entities. They are well positioned to identify current

and future industry skill needs congruent with the Governor's three priority areas. They have relationships with local educational providers essential to the effective development of relevant training curriculum, and the opportunity to leverage funding. Sector strategies will better position One-Stop systems to connect individuals to relevant and cost effective education, training, and supportive services opportunities by leveraging resources through partnerships with community colleges, K-12 programs, community based organizations and apprenticeship training programs. Using the knowledge gained from collaboratively engaging in industry cluster analysis, the regional collaborations will be positioned to align workforce activities (e.g., training, supportive services, etc.) with education and economic development strategies to meet the talent development needs of industries important to regional economies.

The Governor supports the national goal of directing more funding to training by identifying and implementing administrative and program efficiencies at both the State and local levels. California's goal is to optimize the number of individuals trained in occupations that are in demand by industries that are vital to California's economy. The State Board will continue to organize its activities under a sector strategy framework, particularly as they relate to the development of "green collar jobs" and other high-wage, high-growth jobs by optimizing training services over the course of the next two years of WIA and ARRA implementation in California.

An example of this is the California Nurse Education Initiative. In the 2004-05 State budget, the Governor made the shortage of nurses a priority for WIA funds and began issuing grants through the EDD. By partnering with CCCCO and the private sector, the Governor's Nurse Education Initiative will leverage these grants to provide a total of \$18 million a year in funding for nursing education over five years, for a total of \$90 million. These funds are in addition to the \$13 million in grants the Governor awarded to local workforce development organizations, educational institutions, and community-based organizations for nurse education earlier this year.

These objectives will expand California's capacity and effectiveness in training the current and future workforce. In addition, California's workforce-related departments and agencies will optimize coordination and communication, and strategically share and invest their resources to eliminate duplication and waste at both the State and local levels. The Green Collar Job Council is currently exemplifying this practice by engaging in information sharing, mapping, and planning across a broad mix of members that represent state agencies. For example, the Council is currently focusing on how to ensure activities and investments intended to support the green economy and California's economic recovery are leveraged and aligned to ensure the greatest impact.

b. Individual Training Accounts:

- i. What policy direction has the State provided for ITAs?***
- ii. Describe innovative training strategies used by the State to fill skills gaps. Include in the discussion the State's effort to leverage additional resources to maximize the use of ITAs through partnerships with business, education (in particular, community and technical colleges), economic development agencies, and industry associations and how business and industry involvement is used to drive this strategy.***

- ///. Discuss the State's plan for committing all or part of WIA Title I funds to training opportunities in high-growth, high-demand and economically vital occupations.***
- iv. Describe the State's policy for limiting ITAs (e.g., dollar amount or duration)***
- v. Describe the State's current or planned use of WIA Title I funds for the provision of training through Registered Apprenticeship.***
- vi. Identify State policies that permit the use of WIA Title I financial assistance to employ or train participants in religious activities when the assistance is provided indirectly such as through an ITA. (29 CFR 37.6(f); 20 CFR 667.266 and 667.275.)***

California's demand-driven workforce investment system provides for maximum local flexibility in the administration of ITAs. This affords Local Boards control over determining their training needs based on local business and industry input. Each Local Board is responsible for developing their policies pertaining to limiting the dollar amount or duration of ITAs, and identifying the appropriate occupational training. Local flexibility over ITAs has produced innovative local training programs.

The State Board will continue to ensure the development of innovative strategies that address local and national concerns that are consistent with State law. Strategies implementing ITA funding will also ensure that public funding is administered for the maximum benefit of clients without religious influences. The State Board has not developed policy regarding the use of WIA funds to employ or train participants in religious activities, but will explore this issue.

Consistent with the provisions of ARRA, the State and Local Boards are pursuing additional partnerships with California's postsecondary institutions to increase their level of participation in the statewide workforce system. These efforts enhance the list of eligible training providers, customer choice, and leverage the resources of these educational institutions.

- c. Eligible Training Provider List. Describe the State's process for providing broad customer access to the statewide list of eligible training providers and their performance information including at every One-Stop Career Center. (§112(b)(17)(A)(iii).)***

To ensure maximum public access and full support to the One-Stop Career Centers for both employers and job seeker customers, California's ETPL is available through the Internet. This is a full public access site. Customers interested in training information may quickly search the list by provider or program name, community location, and occupation. Also, for easy access, the ETPL site includes a sub-list of WIA-approved apprenticeship programs. Changes to the system are transferred to the Internet site from the JTA system daily, on an as-needed basis.

d. On-the-Job (OJT) and Customized Training (§§112(b)(17)(A)(i) and 134(b).) Based on the outline below, describe the State's major directions, policies and requirements related to OJT and customized training.

i. Describe the Governor's vision for increasing training opportunities to individuals through the specific delivery vehicles of OJT and customized training.

ii. Describe how the State:

- **Identifies OJT and customized training opportunities;**
- **Markets OJT and customized training as an incentive to untapped employer pools including new business to the State, employer groups;**
- **Partners with high-growth, high-demand industries and economically vital industries to develop potential OJT and customized training strategies;**
- **Taps business partners to help drive the demand-driven strategy through joint planning, competency and curriculum development; and determining appropriate lengths of training, and**
- **Leverages other resources through education, economic development and industry associations to support OJT and customized training ventures.**

The State itself does not conduct any of the activities for OJT and customized training described in these questions. California's workforce system is locally driven and community-based, and the identification, leveraging, and marketing of OJT and customized training opportunities are activities in which Local Boards engage. The State, however, provides guidance to Local Boards, as needed, on the various aspects of OJT and customized training.

One of the Governor's priorities for the workforce system, however, is to direct more public and private resources into training services. Optimizing the use of OJT and customized training is one method of achieving that priority. Consequently, the State Board will develop policy guidance for Local Boards, based in part on local innovation, regarding OJT and customized training in an effort to:

- Expand partnerships with the private sector to identify OJT and customized training opportunities;
- Market this concept to employers to remain in California or for those employers planning to move here;
- Employ business partners to drive strategies to develop local OJT and customized training programs; and
- Perform resource mapping to identify resources that can be leveraged to develop and expand OJT and customized training programs locally.

As an initial step in these strategies, the State Board submitted two waiver requests to the DOL in 2006 that pertain to OJT and customized training. These waivers have been extended by DOL through the end of the 2008 PY. The first allows Local Boards to use up to 50 percent of their local formula funds for incumbent worker training. The second allows Local Boards to apply a sliding scale of 10 to 50 percent for the customized training match required of businesses. The State has requested that both of these

waivers be continued to afford more flexibility to Local Boards and extended through the life of the revised State Plan.

4. Service to Specific Populations. (§112(b)(17)(A)(iv).)

- a. Describe the State's strategies to ensure that the full range of employment and training programs and services delivered through the State's One-Stop delivery system are accessible to and will meet the needs of dislocated workers, displaced homemakers, low-income individuals, migrant and seasonal farmworkers, women, minorities, individuals training for non-traditional employment, veterans, public assistance recipients and individuals with multiple barriers to employment (including older individuals, limited English proficiency (LEP) individuals, and people with disabilities.)**

Effective Local Boards and their local One-Stop service delivery systems are central to ensuring that California's business and industry have access to an appropriately and continuously prepared workforce. They do this by assisting the State's diverse population in obtaining information about, and preparing for and accessing occupations that are in demand and in industries that are vital to California's economy. The State's demographic diversity is among its greatest assets, yet such diversity presents unique challenges that often result in barriers that may exclude many segments of the population from achieving self-sufficiency.

California has numerous strategies in place to address these challenges. For instance, the Governor's Committee for the Employment of People with Disabilities was charged through State legislation (AB 935) with the leadership responsibility of developing a comprehensive strategy to bring adults with disabilities into gainful employment at a rate equal to that of the general population. *The Comprehensive Strategy for the Employment of People with Disabilities* was approved by the Governor's Committee, January 2006, and is currently being implemented through EDD.

Another example is that California has examined strategies to ensure enhanced outreach and services to migrant Seasonal Farm Workers (MSFW). Strategies California has implemented to meet the needs of MSFWs include:

- Financial support for La Voz del Campo (The Voice of the Fields), a publication produced by La Cooperativa Campesina de California (La Cooperativa), a 167 partner, with the support of the EDD. La Voz del Campo is targeted to farm workers and provides information on agricultural issues, employment opportunities, crop activities, and federal and State services.
- Contracting with La Cooperativa using Wagner-Peyser funds to operate Guia de Campesino, a toll free Spanish-English telephone information system for farm workers in both English and Spanish.
- The EDD participates in joint outreach with operators funded under WIA section 167 to provide services to MSFWs. ES staff also join local WIA 167 staff in providing mobile outreach. This initiative entitled regional forums and technical assistance, which culminated in the report titled Farm Worker Forums: Everybody Needs a Choice.

- The Public Service Project (PSP) provides for enhanced in-person services to EDD customers at every EDD public access service point. This assistance is provided by staff in ES, Tax Branch, and Disability Insurance Branch sites, as well as LMID staff co-located in ES sites. PSP customers are those who require assistance with an EDD program outside of staff's normal program responsibilities (e.g., EDD staff helping connect MSFW customers with questions and/or issues with staff who can assist them), and who require more than just general information.

One-Stop Career Centers and other program partners comprising California's workforce investment system, strive to equip California's farm workers with the tools to improve the quality of their lives. This is a central principle of workforce development in California. The system strives to enhance the skills of California's workers, allowing them to take better advantage of opportunities in their regional economies, to the mutual benefit of themselves and local industries and businesses. Today these conclusions remain in practice and will remain an element in the California's evolving state strategy to ensure rural regional collaborations, as they develop industry cluster strategies, view this valued workforce, with basic skill and job specific training, are considered as part of the solution to the aging workforce.

A final example of strategies the State uses to ensure access to services for people with barriers to employment is that the EDD, in accordance with Public Law 107-288, the Jobs for Veterans Act, has issued general guidance which establishes, among other requirements, that:

- Priority of service will be given to veterans and spouses of certain veterans, for the receipt of employment, training, and placement services in any job-training program directly funded, in whole or in part, by the DOL, notwithstanding any other provision of law;
- A comprehensive performance accountability system will be established and veterans' employment, training, and placement services will be reviewed annually;
- A program of performance incentive awards will be established to encourage the improvement and modernization of veterans' employment, training, and placement services, and to recognize employees for excellence in the provision of those services; and.
- The State will employ a sufficient number of disabled veterans' outreach specialists and local veterans' employment representatives.

Additionally, the EDD is preparing a directive outlining the veterans priority of service changes recently issued by the DOL's Veterans' Employment and Training Service (VETS) in a final rule articulating priority of service for veterans and eligible spouses. The new regulations apply to "any workforce preparation, development or delivery program or service that is directly funded, in whole or in part, by the Department of Labor," as provided by the Jobs for Veterans Act. The recently enacted Recovery Act infuses significant new funding for many workforce programs; all programs receiving any federal funding, including Recovery Act funding, are required to provide veterans priority of service.

The State Board has identified a number of additional strategies that the State and Local Boards will consider and continue pursuing to improve both access and services to those with significant barriers to employment and/or self-sufficiency. These strategies include:

- The State Board continuing to develop and provide guidance to Local Boards on prioritizing services (e.g. business services, skills training) in their One-Stop systems;
- The LWDA and the State Board, in collaboration with Local Boards, exploring WIA administrative, infrastructure, and core services costs in the Local Areas through the One-Stop cost study. Results will assist the State Board in identifying any economies of scale and administrative and programmatic savings that could support expanded business and training services. These savings may be achieved by implementing strategies such as the regional planning provision in the WIA, and/or new and more effective cost-sharing methodologies, and/or better integration of partner services in the One-Stop systems, and/or the consolidation and reduction in the number of Local Areas;
- The State and Local Boards exploring the development of new incentives for employers hiring specific segments of the population such as at-risk youth and ex-offenders;
- The State Board developing guidance on collaborating more effectively with Adult Education and Family Literacy Program providers and other education partners to address literacy barriers among California's workers;
- The State Board developing guidance for Local Boards on balancing the investment of shrinking resources into business services, supportive services, and training services; and
- The State and Local Boards exploring capacity building efforts at both the State and local levels and recommending ways to increase investments in building the capacity of One-Stop staff in providing services to special populations such as persons with disabilities and ex-offenders.

In addition to these efforts, the EDD is preparing a directive to assist locals in implementing youth programs funded by approximately \$158,628,729 made available for youth services in California by the ARRA. An important component of these youth services will be the Summer Youth Employment Program (SYEP).

Within the SYEP, eligible youth are those who are not less than 14 and not more than 24 years of age, low income as defined under the WIA, and have at least one of the barriers listed in the WIA. The EDD encourages locals to conduct increased outreach and focus on the neediest youth: out-of-school, or at risk of dropping out of school, youth in and aging out of foster care, youthful offenders and those at risk of court involvement, homeless and runaway youth, children of incarcerated parents, migrant youth, Indian and Native American youth, and youth with disabilities. Program operators are encouraged to reach out and to partner with social services, criminal justice, and other agencies to recruit applicants from these target populations.

With ARRA funds augmenting funding under the Workforce Investment Act (WIA), there is an expectation that more youth will be served and that the majority of funds will be spent on services and training, with only minimal administrative expenses.

b. Describe the reemployment services the State provides to unemployment insurance claimants and the Worker Profiling services provided to claimants identified as most likely to exhaust their unemployment insurance benefits in accordance with section 3(c)(3) of the Wagner-Peyser Act.

All unemployment insurance claimants are provided general information about CalJOBSSM, the State's Internet-based labor exchange system, which links employer job listings and job seeker résumés. Through this system, claimants can create and store résumés and browse job listings, and employers can view the claimants' résumés and contact them directly for interviews. Additionally, claimants are provided information about job seeker services and contact information for the nearest One-Stop Career Center, where they can engage in job seeking activities independently or with staff assistance.

Claimants who file a new unemployment claim and are assigned an "A" and "A/B" "seek work plan" are notified in writing that they must register in CalJOBSSM by entering or updating a resume within 21 days. Claimants failing to enter or update a résumé in CalJOBSSM may be selected to participate in a Personalized Job Search Assistance (PJSA) session at their local One-Stop Career Center. The PJSA appointments offer claimants job search services, labor market information, and assist them with entering resumes in CalJOBSSM. Written appointment notices are mailed to selected claimants with the date, time, and location of the PJSA session

UI claimants most likely to exhaust their benefits are provided reemployment services through the Worker Profiling and Reemployment Services program. A comparison is done between the characteristics of UI claimants and a statistical model to determine the likelihood of exhausting their benefits. Those profiled as the most likely to exhaust their benefits are scheduled for an Initial Assistance Workshop (IAW) that serves as an orientation to reemployment services. Enhanced services are provided to profiled claimants who attend the IAWs. An Individual Reemployment Plan (IRP) is completed during these workshops.

The IRP facilitates referrals to other reemployment services and is considered an agreement between the claimant and the state. The job focus workshop (JFW) is a short meeting scheduled four to eight weeks after the original IAW session and gives those claimants who are still unemployed, or in approved training, another opportunity to evaluate their reemployment needs. Claimants who choose a self-directed work-search reemployment plan are referred to a JFW to assist them in using Internet websites to:

- Search for jobs that are best suited for their skills, knowledge, and abilities;
- Gain access to and learn how to use labor market information;
- Learn what transferable skills they possess;
- Select appropriate occupations to pursue; and
- Improve interviewing techniques, résumé writing, and other job search skills.

With the infusion of the American Recovery and Reinvestment Act (ARRA) funding, California's Employment Development Department (EDD) plans to train and prepare jobseekers for jobs that are critical to the economic growth of the State. Accordingly, EDD aims to stimulate, broaden, and design additional reemployment services for unemployment insurance claimants. The EDD will increase staffing and enhance delivery systems to allow earlier identification of job seeker skills and needs, with more intense intervention opportunities. This, in turn, will decrease the time needed for jobseekers to return to the workforce.

The EDD will continue its coordination with Workforce Investment Act partners to best utilize all of the State's resources, increase the number of jobseekers served, and allow for flexibility based on local needs. Additionally, EDD will place special emphasis on meeting the needs of employers through increased customized services, better identification of employment opportunities and a facilitated labor exchange.

The EDD plans to deliver reemployment services through a series of graduated services with the objective of expanding the State's self-service and staff assisted service model to one which allows for greater intensity of services focused on a rapid return to work for each jobseeker. This series of graduated services will provide local areas an array of service options to choose from, allowing them the flexibility to provide services most appropriate for their local areas, dependent upon factors including logistics, hours of operation, and staffing levels.

- c. Describe how the State administers the unemployment insurance work test and how feedback requirements (under §7(a)(3)(F) of the Wagner-Peyser Act) for all UI claimants are met.**

California's JS4UI project was designed to meet the work test requirements by increasing the provision of reemployment services to UI claimants and improving the linkages between the UI and WSB programs. Data are collected from claims filed through the claim filing process. All UI claimants who file a claim receive a letter requiring them to register for work in CalJOBSSM. To assist claimants in the résumé process, starter records are created for them. The letter advises the claimant that he/she has 21-days to comply and complete a résumé in CalJOBSSM.

If claimants do not enter résumés in CalJOBSSM within the 21-day period, they are scheduled for the Personalized Job Search Assistance (PJSA) process is initiated. During the PJSA process, UI claimants are asked if they have been actively seeking work and the reason(s) for not completing a résumé in CalJOBSSM. The claimant provides his/her most recent job search information. If eligibility issues arise in the process of the interview, a manual stop-pay flag is entered on the UI claim record with a detailed note of the claimant's issue.

If the claimant (who has received a UI payment) fails to complete a résumé in CalJOBSSM by the allotted time (Friday of the week of their PJSA), a stop pay flag is set on his/her UI record and a determination for eligibility is scheduled. If the claimant calls the WSB office and makes a statement that he/she will not be able to attend the PJSA due to a vacation, or any other eligibility issue, a stop-pay flag is manually entered on the UI record with a detailed note explaining the issue.

If the claimant does not participate in the PJSA and does not call, there is an automated process that sweeps the CalJOBSSM database to check if the claimant entered a résumé. If the indicator is "no" then a stop pay flag is automatically set.

The EDD has been working collaboratively with DOL Region 6 representatives and UI staff in developing a process that will utilize automated capability and other processes already in place to the maximum degree possible as part of our continuing efforts toward meeting the work test requirement.

Services provided to UI claimants include job search and placement services through the CalJOBSSM, which is the primary job matching strategy for the state. The EDD's WSB provides its services in self-service, facilitated self-service and staff-assisted service mode.

- d. Describe the State's strategy for integrating and aligning services to dislocated workers provided through the WIA rapid response, WIA Dislocated Worker, and Trade Adjustment Assistant (TGAAA) programs. Does the State have a policy supporting co-enrollment for WIA and TGAAA?***

The formal written policies on 25 Percent Dislocated Worker funds require integration and support co-enrollment for WIA and TGAAAA. The State is developing a comprehensive strategy for aligning its Rapid Response, Dislocated Worker, and TGAAAA programs and which also implements the changes to TGAAAA resulting from enactment of the ARRA earlier this year. California's strategy will ultimately identify any required State program and policy revisions and abide by the principles of integrated system response at both the State and local levels. Additional efforts will be undertaken to develop a viable implementation plan for this strategy.

The State must ensure that Rapid Response assistance and appropriate core and intensive services are made available to those covered by the TGAAA program. The date that the TGAAA petition is received by the State may be used as the criterion for providing Rapid Response assistance. At the local level, TGAAA Division Coordinators serve as liaisons to the Rapid Response and Dislocated Worker programs by participating in workshops, roundtable discussions, and other coordinated activities with local partners. Under the Trade Act, applicants are assessed to determine if they are candidates for training and, if so, they are referred for co-enrollment in the Dislocated Worker program. The WSB staff and other local partners may refer to the Trade Act Co-Enrollment Technical Assistance Guide and tailor the procedures to meet local needs. A feedback mechanism has been established between the CalJOBSSM labor exchange system and the UI systems by adding a "UI Indicator" to the CalJOBSSM registration record.

- e. How is the State's workforce investment system working collaboratively with business and industry and the education community to develop strategies to overcome barriers to skill achievement and employment experienced by the populations listed in paragraph (a.) above and to ensure they are being identified as a critical pipeline of workers?***

As demonstrated by the CWA publication "Tuning In," California's workforce system has been transforming into a demand-driven system that is not only responsive to individual employers, but to

entire industries. This is often in collaboration with education, as demonstrated by the collaboration among Genentech, the San Mateo County Workforce Board, and Skyline Community College to transition displaced airline workers into the Biotechnology industry.

California is further developing its demand-driven system framework by the strategy outlined in paragraph IX.C.4.a., which will require a strong collaboration with business and industry and the education community. For example, the strategies include a focus on addressing the literacy barriers of California's workforce, which will require an investment of resources and expertise from both the business and education communities.

f. Describe how the State will ensure that the full array of One-Stop services is available to individuals with disabilities and that the services are fully accessible.

The Governor's Committee collaborates with and advises the State Board to ensure that the full array of employment and training programs and services are available and fully accessible to people with disabilities. Accessible services include:

- Outreach, intake, and orientation;
- Initial assessments of skills, aptitudes, abilities, and need for support services;
- Program eligibility determinations;
- Local, regional, and national labor market information;
- Information on filing for unemployment insurance; and
- Access to intensive services as needed.

The Governor's Committee provides a public venue to determine real solutions to the challenges that customers with disabilities, service providers, or the business community may encounter when attempting to access the full array of services within the local One-Stop systems. To meet these challenges, and to ensure consistency in policy and service delivery, all the Governor's Committee meetings are open to the public and stakeholder input is not only invited but also encouraged. To ensure staff capacity and disability awareness, on-line training is available to Local Area front-line staff, Equal Opportunity Officers, and local partners charged with the responsibility of implementing WIA Section 188 non-discrimination and equal opportunity requirements, with an emphasis on those obligations related to serving people with disabilities.

The Governor's Committee and the EDD applied for and received four years of funding for Local Areas to hire and train disability program navigators. The navigators are responsible for:

- Helping customers with disabilities navigate through the system;
- Building strong local partnerships that include community-based organizations that serve people with disabilities; and
- Conducting outreach to employers to inform them of the availability of a skilled workforce.

In addition the EDD and the Governor’s Committee applied for and received funds to help Social Security beneficiaries with disabilities succeed in their return-to-work efforts. The funding provides for a Community Work Incentives Coordinator to be housed in local One-Stop Career Centers in three Local Areas (Riverside, Sacramento, and San Diego Counties). These Coordinators will work hand-in-hand with the Disability Program Navigators in the next step in building the One-Stop Career Center infrastructure of services and supports that will assist individuals with disabilities in their return-to-work efforts.

g. Describe the role Local Veterans’ Employment Representative/Disabled Veteran’s Outreach Program (LVER/DVOP) staff have in the One-Stop delivery system. How will the State ensure adherence to the legislative requirements for veterans’ employment program staff? How will services under this Plan take into consideration the agreement reached between the Secretary and the State regarding veterans’ employment programs? (§§112(b)(7), 112(b)(17)(B); and 322, 38 U.S.C. Chapter 41; and 20 CFR §1001.120).)

The Secretary’s Agreement, as specified by Veterans’ Program Letter 3-99, will incorporate the following procedures:

- Through the One-Stop system, veteran customers may elect self-service, facilitated self-help, or staff-assisted one-on-one service. Most veterans are able to use the self-service systems and will self-identify as veterans to establish their eligibility for veterans’ priority. The Local Veterans Employment Representative (LVER) and Disabled Veterans Outreach Program staff (DVOP) is available at One-Stop Career Centers to provide facilitated self-help or staff-assisted service to veterans who require additional assistance. LVER and DVOP staff screen veterans for potential barriers to employment and identify the need for additional services. At each One-Stop center, LVER and DVOP staff will raise veterans’ issues, including efforts to expand information provided to veterans regarding available services. At the request of One-Stop partners, LVERs and DVOPs may also be assigned to other locations that serve large veteran populations; and
- Case management services for veterans are customer-focused and customer-driven. These include referrals from the Department of Veterans Affairs Vocational Rehabilitation and Counseling system. Veterans are provided choices based upon need and the resources available to meet those needs. When necessary and when appropriate, customers will be assisted in accessing resources outside of the One-Stop systems.

h. Department of Labor regulations at 29 CFR 37, require all recipients of Federal financial assistance from DOL to provide meaningful access to LEP individuals. Federal financial assistance includes grants, training, equipment usage, donations of surplus property, and other assistance. The regulations also apply to sub-recipients when Federal DOL funds are passed through from one recipient to a sub-recipient. Describe how the State will ensure access to services through the State’s One-Stop delivery system by persons with limited English proficiency and

how the State will meet the requirements of ETA Training and Employment Guidance Letter (TEGL) 26-02, (May 29, 2003) which provides guidance on methods of complying with the Federal rule.

California's Local Areas are subject to both federal and State requirements regarding non-discrimination and equal opportunity, which include equal access for persons with limited English proficiency (LEP). To ensure meaningful access to programs and services to LEP persons, the State issued WSD04-20, Limited English Proficiency, on May 12, 2005, that transmits policy and guidance on serving LEP individuals pursuant to Title VI of the Civil Rights Act of 1964, its implementing regulations, and Section 188 of WIA.

California Government Code Sections 7290-7299.8, the Dymally-Alatorre Bilingual Services Act (DABSA), mandates that when State or local agencies serve a substantial number of non-English-speaking people, they must employ a sufficient number of qualified bilingual staff in public contact positions and translate documents explaining available services in their beneficiaries' languages. The DABSA also requires State agencies to survey their customers on a biannual basis to review customer needs and update agency practices. The State requires that Local Boards review the DABSA when developing their local policies and procedures regarding services to LEP individuals.

The EDD also maintains a language directory of EDD staff, located statewide, who are fluent in languages other than English. These employees are available to provide translation services to all EDD offices. The language directory is available to local One-Stop Career Center staff; however many One-Stop Career Centers maintain their own lists of bilingual staff and partners, or they may contract for translation services. The EDD and local areas take all reasonable steps to provide services and information in languages appropriate to target and include notices and information required in 26 CFR Part 37.29, 37.30, and 37.34, among the items translated for LEP individuals.

In addition, WSD07-06, Nondiscrimination and Equal Opportunity Procedures, summarizes the federal and State requirements regarding non-discrimination and equal opportunity, and WSD00-7, Standards for Oversight and Instructions for Substate Monitoring, includes the requirements that sub-recipients must be monitored for compliance of WSD01-21. The EDD's CRD monitors the Local Areas for compliance with the federal and State requirements.

- i. Describe the State's strategies to enhance and integrate service delivery through the One-Stop delivery system for migrant and seasonal farmworkers and agricultural employers. How will the State ensure that migrant and seasonal farm workers have equal access to employment opportunities through the State's One-Stop delivery system? Include the number of migrant and seasonal farmworkers the State anticipates reaching annually through outreach to increase their ability to access core, intensive, and training services in the One-Stop Career Center System***

All Wagner-Peyser Services are provided through the One-Stop Career Center system, which includes mainstream and outreach services to MSFWs as well as mainstream employer services to agricultural businesses. The EDD's WSB, for instance, provides migrant and seasonal farm workers with employment services equivalent to those provided to people who are not farm workers.

All WSB One-Stop co-locations are staffed to provide assistance to farm workers and agricultural employers who are unfamiliar with the automated job listings systems and other on-line services, or who have language barriers. Selected WSB co-locations in agricultural areas conduct outreach to farm workers to ensure that the job opportunities in the occupations they prefer are made available to them. The WS also works closely with the agricultural industry in California to help balance the supply of labor in areas with shortages. The EDD's WSB projects 54,387 outreach contacts for Program Year 2005/06.

Agricultural employers often serve on Local Boards and on local Employer Advisory Councils to ensure that the workforce needs of the agricultural industry are met. As with services to migrant and seasonal farm workers, services to agricultural employers are integrated into the One-Stop Career Center system. The WS employees or other partner staff provides services as appropriate, including the same services as provided to non-agricultural employers. Agricultural job orders in CalJOBSSM may receive an extra level of search activity prior to recruiting outside the Local Area to ensure all qualified candidates are located. One-Stop staff advise agricultural employers of prevailing wages and other requirements to ensure that their job orders meet with State and federal requirements, and may provide other labor market information to ensure the employer's labor needs are addressed. An important service for agricultural employers in particular is the ability to assist them in contacting potential or former employees using the CalJOBSSM Recall/Recruitment Letters process, an automated letter sent to job seekers regarding possible employment/re-employment opportunities.

In addition to the provision of services through the One-Stop Career Centers, many National Farm worker Jobs Program grantees have forged strong partnerships with local One-Stop systems to help ensure One-Stop services are accessible to MSFWs. The State has developed a strong working relationship with this network of service providers operating Section 167 farm worker service programs.

Workforce issues with farm workers and agricultural employers are not unlike other issues with special needs populations and other vital industries as described in other areas in this State Plan. As California's public workforce system continues to ensure that it remains relevant to California's regional economies and communities, MSFW communities and agricultural employers will have access to the local One-Stop systems and be considered as part of the solution to regional workforce needs.

5. **Priority of Service**

- a. ***What procedures and criteria are in place under 20 CFR 663.600 for the Governor and appropriate Local Boards to direct One-Stop operators to give priority of service to public assistance recipients and other low-income individuals for intensive and training services if funds allocated to a local area for adult employment and training activities are determined to be limited? (§§112(b)(17)(A)(iv) and 134(d)(4)(E).)***

California recognizes the statutory mandate of both the WIA and SB 293 to prioritize delivery of Adult intensive and training services to recipients of public assistance and other low-income individuals in situations where Local Area Adult funding is limited. Under conditions of limited funding availability, priority of service will be provided to CalWORKs recipients and/or other low-income customers. Accordingly, Local Areas must complete the following as part of their local plans:

- Assess Local Area needs for employment and training services, particularly those of CalWORKs recipients and other low-income individuals.
- Identify how CalWORKs recipients and other recipients and other low-income individuals will be prioritized for intensive and training services, including how the WIA and other One-Stop resources will be directed to these groups.
- Describe in the MOU (which accompanies the local plan), per a new SB 293 requirement, the local policy for identifying individuals who, because of skills and experience, should be referred immediately to training, and the methods of referrals of individuals between partners.

In addition, the State policy issued in California's WIA Title I Eligibility Technical Assistance Guide, gives authority to Local Boards to establish criteria by which the Local Areas can determine the availability of funds, and the process by which the priority for Adult intensive and training services will be applied.

b. What policies and strategies does the State have in place to ensure that, pursuant to the Jobs for Veterans Act (Pub .L. 107-288)[38 USC 4215], that priority of service is provided to veterans (and certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by DOL, in accordance with the provisions of Training and Employment Guidance Letter (TEGL) 5-03 (9/16/03)?

Since the Priority of Service for Veterans and Eligible Spouses was introduced as part of the Jobs for Veterans Act (P.L. 107-288), the State issued general guidance on the implementation of the veterans' priority and how this priority will affect current business practices. California's *WIA Title I Eligibility Technical Assistance Guide* specifies these new requirements and requires that Local Boards develop a process by which the priority of services to veterans and other covered persons will be applied. The State is in the process of issuing additional guidance that will advise local areas about the Priority of Service for Covered Persons; Final Rule. Finally, the EDD's WSB provides hands-on technical assistance and is a resource for addressing questions, issues and concerns regarding veterans.

H. Rapid Response

Describe how your State provides Rapid Response services with the funds reserved under section 133(a)(2). (112(b)(17)(A)(ii).)

- 1. Identify the entity responsible for providing Rapid Response services. Describe how Rapid Response activities involve Local Boards and Chief Elected Officials. If Rapid Response activities are shared between the State and local areas, describe the functions of each and how funds are allocated to the local areas.**

California has selected the Local Boards, and through them the agencies represented by their CEOs, to lead local teams that provide Rapid Response service in California's 49 Local Areas. Funds are provided for this purpose to the Local Boards/CEOs on a formula basis that provides for baseline support in all Local Areas, and takes into account past Dislocated Worker activities and the number of counties in a given Local Area.

The EDD's WSB functions as the State's Dislocated Worker Unit. The WSB has assigned Regional Advisors to work with each of the Local Areas as liaisons with the Dislocated Worker Unit and to advise the Local Areas about appropriate methods to respond to specific layoff events, ensuring that adequate resources are available at the local level to meet worker dislocation response needs (i.e., determine whether additional assistance is needed).

- 2. Describe the process involved in carrying out Rapid Response activities**

- a. What methods are involved in receiving notice of impending layoffs (include WARN Act notice as well as other sources)?**

The State notifies the Local Areas of all notices of layoff/closure it receives; including those under the federal WARN requirements, and those under State legislation that expands the number of employers who are required to provide notice of impending layoffs. In addition to these formal notices, Local Areas adopt various methods, tailored to their unique business situations, to become aware of impending layoffs. The expertise of each of the Local Boards, then, promotes awareness of local layoff situations. Further, business contacts made under the auspices of the Local Boards provide information that assists the local Rapid Response units to detect impending layoffs/business closures in advance of their occurrence. These opportunities to detect layoffs/business closures enhance the information that is received via the formal WARN notification process.

- b. What efforts does the Rapid Response team make to ensure that Rapid Response services are provided, whenever possible, prior to layoff date, onsite at the company, and on company time?**

The variety of locally-focused early layoff/closure detection methods listed under the previous question promotes early intervention, prior to the layoff date, onsite at the company, and on company time.

- c. What services are included in Rapid Response activities? Does the Rapid Response team provide workshops or other activities in addition to general informational services to affected workers? How do you determine what services will be provided for a particular layoff (including layoffs that may be trade-affected)?***

Rapid Response services are tailored by each Local Board to meet the unique needs of local layoff/closure events. They include generalized business services (focused on layoff aversion), assistance with planning for reductions in force, general informational services, pre-layoff workshops, layoff-related job fairs, application taking, referral to local One-Stop centers, and other services that are appropriate to each local layoff/closure situation. What particular services will be provided (including events that are trade-affected) is determined by the Local Boards, based on the knowledge of their staff and the staff of other local entities participating on the Rapid Response teams, and on discussions with the affected employers and employees.

- 3. How does the State ensure a seamless transition between Rapid Response services and One-Stop activities for affected workers?***

The California model for the provision of Rapid Response services is particularly well adapted to ensure a seamless transition between Rapid Response services and One-Stop activities for affected workers, principally because the Rapid Response services and One-Stop activities are overseen by the same Local Area entity. The Local Areas are also the operators of the One-Stop centers within the same service areas, thereby positioning them to deliver both Rapid Response and One-Stop service in a seamless way to the affected local dislocated workers.

- 4. Describe how Rapid Response functions as a business service? Include whether Rapid Response partners with economic development agencies to connect employees from companies undergoing layoffs to similar companies that are growing and need skilled workers? How does Rapid Response promote the full range of services available to help companies in all stages of the economic cycle, not just those available during layoffs? How does the State promote Rapid Response as a positive, proactive, business-friendly service, rather than only as a reactive service?***

Local Boards and the State are increasingly treating Rapid Response services as a business service function. Local Rapid Response teams serve the business community through the provision of information about labor market needs and potential dislocation, in addition to information about the services available through the One-Stop systems. They assist employers in exploring alternatives to layoffs through human resource solutions, provide information on the Trade Act programs, provide guidance and/or financial assistance to help establish labor-management committees, help develop strategies for addressing dislocation events and averting layoffs, and assist employers with strategies for incumbent worker training and linkages with economic development activities at the federal, State, and local levels. As part of an on-going preventative strategy, business service professionals within One-Stop centers link with businesses and economic development professionals to foster economic development opportunities.

Rapid Response focused on business services facilitates the transition from declining to emerging industries, thereby ensuring economic growth. In times of high growth, targeted business services may help an industry find and retain skilled workers who meet industry standards, and during economic downturn business services may help the industry upgrade the skills of current workers, identify new markets, and improve productivity. On-the-job and customized training for laid-off workers are good strategies for supplying workers for replacement work or growing industry sectors. Some Local Boards conduct small business surveys and city-based business visitation projects. Relevant incumbent worker skills training serves to keep employers competitive, thereby preventing layoffs and supporting growing and emerging industries.

The State Board has adopted a Rapid Response policy framework that reinforces layoff aversion strategies instead of primarily responding to layoffs after they occur. The policy emphasizes information and services to help local officials anticipate economic trends and assist in the development of economic development strategies. To promote this, the framework continues to support formula funding while also providing a more flexible funding methodology that focuses more on dynamic and changing local needs. The policy ensures that portions of the funds are directed towards system and capacity building activities in business services and continuous improvement, and the development of layoff aversion strategies. The policy also recognizes the uniqueness of each Local Area and supports opportunities to tailor local systems to best fit an area's needs. It encourages Local Boards to engage their local business communities and understand their needs, while also focusing on the Governor's priorities.

5. *In what other partnerships does Rapid Response engage to expand the range and quality of services available to companies and affected workers and to develop an effective early layoff warning network?*

In addition to the funding provided to the Local Boards, the State funds the WSB and the California Labor Federation to ensure that these organizations can be involved in the local efforts. Local Rapid Response teams typically partner with these organizations as well as education and local economic development entities. These connections expand the range and quality of services made available to local companies and their affected workers, thereby promoting the quality of the local early layoff-warning network.

The California strategy of retaining Local Boards to deliver Rapid Response services establishes natural linkages between the local Rapid Response teams and the One-Stop partners. Close and constant communication with employers is also essential to any early layoff-warning network. Numerous Local Areas have developed intensive partnerships that bring together workforce intermediaries, economic development entities, small business development centers at community colleges, community organizations, labor organizations, education, employers, and industry associations. These multiple partnerships generate industry sector initiatives that support employers and workers during times of economic boom or economic downturn.

In times of high growth, the partnerships may help an industry find and retain skilled workers who meet industry standards, and during economic downturn the partnerships may help the industry upgrade the skills of current workers, identify new markets, and improve productivity. It is through the Local Areas' ability to build specialized knowledge of industries, coordinate community resources to meet the needs of industries, adapt to industry change, and manage the multiple stakeholders that they expand the range in quality of services available to companies and affected workers.

6. *What systems does the Rapid Response team use to track its activities? Does the State have a comprehensive, integrated Management Information System that includes Rapid Response, Trade Act programs, National Emergency Grants, and One-Stop activities?*

The State requires Local Boards to submit On-Site Visit reports regarding their Rapid Response activities related to specific layoffs/business closures. These reports include detailed information on the nature of the layoff, the expectations for future activity, and the entities participating in the Rapid Response. The EDD maintains a database of this information. The State also has a comprehensive, integrated Management Information System, the JTA, which is used to track all WIA expenditures and all WIA-enrolled participants, including participants who are enrolled in the Dislocated Worker program. Services provided to such dislocated workers and reported via JTA include the core, intensive, and training services provided at One-Stop centers. Reporting for the National Emergency Grants programs is accomplished via the JTA system, while reporting for the Trade Act program is accomplished separately from the JTA system.

7. *Are Rapid Response funds used for other activities not described above (e.g., the provision of additional assistance to local areas that experience increased workers or unemployed individuals due to dislocation events in case of unusually large layoff events)?*

California reserves 25 percent of its Dislocated Worker allotment for statewide Rapid Response and Additional Assistance activities. Half of this 25 Percent set-aside is used for Rapid Response formula

allocations and special projects that address required and allowable Rapid Response activities as defined in 20 CFR 665.310 and 665.320. The remaining half of the 25 Percent Rapid Response set-aside is used to fund Additional Assistance projects as defined in 20 CFR 665.340. Additional assistance is provided only if formula-allocated Dislocated Worker funds are found to be insufficient to address the spectrum of major layoff/business closure events in a Local Area.

D. Youth

ETA's strategic vision identifies youth most in need – such as out-of-school youth, at risk, in foster care or aging out of foster care, offenders, children of incarcerated parents, homeless youth, and migrant and seasonal farmworker youth – as those most in need of service. State programs and services should take a comprehensive approach to serving these youth, including basic skills remediation, helping youth stay in or return to school, employment, internships, help with attaining a high school diploma or GED, post-secondary career and technical education training, Registered Apprenticeship, and enrollment in community and four-year colleges. (§112(b)(18).)

- 1. Describe your State's strategy for providing comprehensive, integrated services to eligible youth, including those most in need as described above. Include any State requirements and activities to assist youth who have special needs or barriers to employment, including those who are pregnant, parenting, or have disabilities. Include how the State will coordinate across State agencies responsible for workforce investment, foster care, education, human services, juvenile justice, and other relevant resources as part of the strategy. (§112(b)(18).)***

The DOL's strategic vision for the delivery of WIA Youth services was issued in TEGL No. 3-04. In response to the new Youth vision, the DOL sponsored a number of regional forums, with California participating in a session conducted in Phoenix, Arizona in December 2004. As described in Section III. C. 4. a State Youth Vision Team (SYVT) was formed to foster communication and connections across disciplines and agencies; enhance the quality of services delivered; improve efficiencies and improve the outcomes for the neediest youth; and have all youth served by one system. The team was reconvened by the State Board's Special Committee on Lifelong Learning in 2006 and, working through and with the committee, the team will address both the implementation of the federal shared youth vision and other issues with WIA youth programs and local youth councils in California.

Another strategy the State Board has employed for providing services to eligible youth has been the Improving Transition Outcomes for Youth with Disabilities (ITOP) project. ITOP was funded with a grant through the DOL's Office of Disability Employment Policy to form a partnership of federal, State, and community organizations to map California's youth service delivery infrastructure, develop and implement a multi-agency unified state plan to improve transition services and employment opportunities for youth with disabilities, and to conduct local demonstration projects. The plan was completed and incorporated in the work of the Governor's Committee and its *Comprehensive Strategy for the Employment of People*

with Disabilities. Even though the ITOP funding ended in 2007, the strategies for cross-agency collaboration continue to be sustained by the local area demonstration projects.

The strategies employed by the State and Local Boards, State and local partners that serve the neediest youth, and local youth councils are consistent with State Board goals for advancing people with multiple barriers to employment through comprehensive services and identifying strategies to meet industry needs. With the input from Local Boards and public and private, profit and non-profit organizations, the strategies continue to evolve for meeting the special needs of foster youth, youth offenders, youth with disabilities, and other needy, at-risk youth.

2. Describe how coordination with Job Corps and other youth programs will occur. (§112(b)(18)(C).)

Job Corps is a very important partner in providing services to WIA-eligible youth. Cooperative efforts have been coordinated with Job Corps for providing services and connecting Job Corps with the local One-Stop systems. Job Corps also serves as a member of the re-convened SYVT, under the State Board's Special Committee on Lifelong Learning.

3. How does the State Plan to utilize the funds reserved for statewide activities to support the State's vision for serving youth? Examples of activities that would be appropriate investments of these funds include:

- a. Utilizing the funds to promote cross agency collaboration;**
- b. Demonstration of cross-cutting models of service delivery;**
- c. Development of new models of alternative education leading to employment; or**
- d. Development of demand-driven models with business and industry working collaboratively with the workforce investment system and education partners to develop strategies for bringing these youth successful into the workforce pipeline with the right skills.**
- e. Describe how your State will, in general, meet the Act's provisions regarding youth program design. (§§112(b)(18) and 129(c).)**

In response to activities outlined in WIA sections (§§112(b)(18) and 129(c), Local Boards will develop and enhance relationships with local agencies and service providers to ensure that necessary services are available to eligible youth. Coordination with foster care, education, welfare, and other relevant resources occurs through local youth councils and is monitored through State review.

The Governor uses statewide funds for ongoing statewide youth activities such as:

- The Foster Youth Employment and Training and Housing Taskforce is a State-level interagency collaborative that develops strategies to promote the implementation of an initiative to register

emancipating foster youth at One-Stop Career Centers. The initiative promoted the funding of three foster youth pilot projects in Alameda, Colusa, and Ventura Counties with the goal of providing outreach and coordination of interagency resources, identifying programs providing services to transitional foster youth, establishing an interface between One-Stop centers and current promising practices in Local Areas, and maximizing and sharing resources for foster youth. As a result of that funding, a Lessons Learned paper was written to highlight the best practices and issues identified by the local area demonstration sites.

In addition, members of the Taskforce developed and implemented a multidisciplinary training curriculum on Foster Youth services provided by the CDSS Independent Living Program and through the One-Stop Career Centers. Participants in the training include One-Stop staff, foster parents, foster youth, community-based organizations, education staff, and CDSS Independent Living Program staff.

- The State Board and the EDD developed policy and definitions for distributing WIA 15 Percent Discretionary funding to Local Areas with high concentrations of eligible youth. To receive the additional funds, Local Boards are required to submit plans showing collaboration and connection with programs, agencies, and organizations serving foster youth, youth with disabilities, and youth offenders. Current guidelines for program year 2006-2007 provide for additional funds to Local Areas with high concentrations of WIA-eligible youth above the State average of 23.6 percent. Local Boards must select a priority focus of Foster Youth, Youth Offender, or Youth with Disabilities
- In 2006, the LWDA and the State Board supplemented the required expenditure of WIA 15 Percent funds for high concentrations of eligible youth with an additional \$700,000 in WIA 15 Percent funding through a competitive SFP. This SFP extended funding for high concentrations of at-risk youth to areas and communities in the State that have high concentrations of such youth but may not exceed the State average.
- In 2008, the SYVT in collaboration with the California State Interagency Team (SIT) developed a State Government Youth Services Matrix that identifies the youth services provide by state agencies, the age, and the access point for local providers and participants to access those services.

The California Workforce Investment Board actively participates in the SIT. The SIT is charged with improving service integration to youth and adults most in need with partners in child welfare, juvenile justice, the courts, private non-profit philanthropy, alcohol and drug, education, and mental health and the CWIB has lead in work plan items pertaining to better integration with workforce and social service agencies to improve relevant services to youth most in need.

- In 2006, the Governor signed into law AB 2216 which created the California Child Welfare Council (CWC). The CWC is a new State advisory body that considers recommendations to improve child and youth outcomes through increased collaboration and coordination among the programs, services and processes administered by multiple agencies and courts serving youth. The CWIB has taken the lead on one of the workforce related recommendations to the California Child Welfare Council on improving the employment outcomes of transition age foster youth
- The California Recovery Task Force recently announced the release of up to \$10 million ARRA and WIA funds for California's Green Jobs Corps Initiative. Launched in early March, the initial phase of the Governor's California Green Jobs Corps will place at least 1,000 at-risk youth ages 16 through 24 into green jobs over the next 20 months. Investing at least \$10 million in Recovery Act funding and \$10 million from public-private partnerships, the program will consist of a minimum of 10 regional Green Job Corps throughout the state - with at least one located in each of California's nine economic regions. Green Jobs Corps recruits will train for technical,

construction and other skilled jobs, complete community service while training and receive job placement assistance.

- As part of an overall strategy to combat gang violence, the Governor recently awarded \$9.2 million in competitive grants to cities and community-based organizations (CBOs) for gang prevention, intervention and enforcement; and \$7.3 million in grants to provide job training and education programs targeting youth at risk of joining gangs or seeking to leave them. These grants are part of the California Gang Reduction, Intervention and Prevention initiative (CalGRIP). The grants to cities and CBOs are from the State Restitution Fund and the job training and education grants are federal workforce development monies. Youth ages 14-24 receive a broad range of services, including mental health services, gang counseling, educational skills for high school graduation or GED, occupational training in business services, biotech areas and green industry apprenticeships.

Business Services

(§§112 (a) and 112(b)(2).) Provide a brief description of the types of services the State offers to businesses, and strategies to improve the services to employers, including a description of how the State intends to:

- 1. Determine the employer needs in the local areas and on a statewide basis.***
- 2. Integrate business services, including Wagner-Peyser Act services, to employers through the One-Stop delivery system.***
- 3. Streamline administration of Federal tax credit programs within the One-Stop system to maximize employer participation? (20 CFR part 652.3(b), §112(b)(17)(A)(i).)***

A variety of strategies carried out both locally and statewide assists in the determination of employer needs. Statewide strategies include the gathering and reporting of workforce and labor market information and the work of the CREP, as well as the “economic conversations,” held in the first year of the Governor’s term, which involved people from all over the State and the Governor’s cabinet secretaries. Additionally, the work of other partners such as the Economic Development and Workforce Development Program of the Community Colleges provide ongoing and valuable information on the needs and perspectives of employers. The State has also provided assistance to the Local Boards through the convening of nine regional economies forums, as well as the development of customized LMID web-based regional information.

Through the EDD, which administers Wagner-Peyser funds, a subsystem of CalJOBSSM called the ECMS was developed and made available to all One-Stop partners so that the EDD and all partners could record contacts made with employers as a method of coordinating those contacts. California has also made significant strides to increase the accessibility of federal tax credits to employers.

These steps include:

- Posting extensive information about federal tax credits on the EDD website for employers to view;

- Providing information and pre-screening notices to employers from case managed clients through MOUs between the EDD and the One-Stop partners;
- Making all tax credit forms available through download from the EDD website;
- Marketing federal tax credits through publications sent to employers such as *The California Employer*, a quarterly EDD Tax Branch publication; and
- Establishing, and creating an efficient automation system for centralized processing of employer tax credit certifications requests.

California participated in a Work Opportunity Tax Credit (WOTC) workgroup in Washington D.C. with the purpose of submitting recommendations to the DOL for developing and adopting a standard E-WOTC data schema, which would allow for electronic signatures on the Internal Revenue Service certification request. E-WOTC, as termed by the workgroup, would allow employers and/or their agents to submit all certifications requests electronically, reducing processing time. The DOL is still reviewing the workgroup recommendations.

California also recently implemented an automation process at its WOTC certification processing office that prints and mails all of the WOTC mail hands-free, saving staff time and mailing costs. This was extremely beneficial at the end of the recent 12 month WOTC hiatus. California was able to mail the backlog of almost 71,000 letters out to employers in 3 hours rather than several months of staff time taken in the previous hiatus.

Finally, the State Board will consider a number of recommendations discussed during its State Plan special committee meetings:

- Continue to implement and refine local information gathering and analysis, including increased efforts to gather and disseminate timely data;
- Provide incentives to strengthen the ability of Local Boards and their One-Stop systems to know and meet the needs of their business communities;
- Build in accountability for outcomes;
- Improve staff competencies in developing and providing business services;
- Increase consistency within the system through development of policies and approaches that unify and provide clearer definition to programs and services;
- Provide technical assistance for business services development based on promising practices; and
- Explore how the State can best improve the integration of Wagner-Peyser funded services with the local One Stop systems.

E. Innovative Service Delivery Strategies (§112(b)(17)(A).)

Describe innovative service delivery strategies the State has or is planning to undertake to maximize resources, increase service levels, improve service quality, achieve better integration or meet other key State goals. Include in the description the initiative's general design, anticipated outcomes, partners involved and funds leveraged (e.g., Title I formula,

Statewide reserve, employer contributions, education funds, non-WIA State funds). (§112(b)(17)(A).)

California's 49 Local Areas face a wide range of distinct challenges arising from their economic, demographic, geographic, and political diversity. The Governor's commitment to local flexibility and control has resulted in Local Boards developing a multitude of innovative service delivery strategies that address their unique, community-based challenges.

The State Board and the EDD maintain a catalog of best practices on the EDD website for dissemination throughout the local workforce communities. The best practices must meet at least two of the following criteria:

- Improves customer service by inventing new ways of doing business;
- Successfully reaches out to the community to bring in clients that can benefit from the services provided (job seekers or employers);
- Produces great results or performance;
- Has been recognized as a promising practice through testimonials from clients and/or the workforce development community;
- Makes use of new or innovative technology or resources; and
- Promotes partnerships or improves operations in a One-Stop Career Center.

Practices published over the website are verified in two ways:

- They are backed by measurable outcome data such as increase in the number of job placements, documented improvement in skills, and increase in the number of enrollments; and
- They contain evidence of quality such as activities that are improving participant self-sufficiency, strong testimonials, or widespread support from other stakeholders.

The best practices are collected and presented according to following topics:

- Business Services
- Customer Focus
- Marketing and Outreach
- Performance Management
- Service Integration/Partnerships
- Serving People With Disabilities
- Technology
- Youth
- Other (for practices not covered by the listed categories)

F. Strategies for Faith-based and Community Organizations

Reaching those most in need is a fundamental element of the demand-driven system's goal to increase the pipeline of needed workers while meeting the training and employment needs of those most at risk. Faith-based and community organizations provide unique opportunities for the workforce investment system to access this pool of workers and meet the needs of business and industry.

1. Describe those activities to be undertaken to:

- a. increase the opportunities for participation of faith-based and community organizations as committed and active partners in the One-Stop delivery system; and***
- b. expand the access of faith-based and community organizations' clients and customers to the services offered by the One-Stop Career Centers in the State.***

2. Outline those action steps designed to strengthen State collaboration efforts with local workforce investment areas in conducting outreach campaigns to educate faith-based and community organizations about the attributes and objectives of the demand-driven workforce investment system.

3. Indicate how these resources can be strategically and effectively leveraged in the State's workforce investment areas to help meet the objectives of the Workforce Investment Act

California has made an investment and a strong effort to provide job services and training to individuals not traditionally served by the mainstream workforce system. This successful effort entailed the expansion of the partnership between faith-based and community-based organizations with the local One-Stop systems and expanding the accessibility of One-Stop services to faith-based and community-based organizations.

This was the result of a unique collaboration between government and faith-based and community-based organizations to 1) provide grants to faith-based and community-based organizations that have been limited in their ability to take advantage of public funding due to limited resources and/or lack of experience in dealing with competitive contracting processes; 2) establish partnerships between the State and these organizations; and 3) serve the most difficult to serve and hardest to employ individuals. This nationally acclaimed effort has resulted in more than 7,000 persons throughout California having been served by nearly 50 different recipient organizations. Some 1,500 of these individuals have found unsubsidized jobs through this initiative.

The Governor and the State Board recognize that the integration and partnership of faith-based and community-based organizations with the local One-Stop systems is critical to serving individuals with multiple barriers in our most economically oppressed urban areas in California. Often these urban areas within a larger jurisdiction have an unemployment rate that doubles the average unemployment rate – in Los Angeles County overall, for instance, the average unemployment rate is 5.6 percent, yet in the City of Compton it is 11.7 percent.

The faith-based and community-based organizations are vital partners in ensuring all Californians are provided the opportunity to acquire the skills to take advantage of new and expanding opportunities to achieve self-sufficiency. During the planning process, it was evident that faith-based and community-based organizations must be considered similar to those entities traditionally funded through WIA Title I, when funding opportunities are made available at the State and local levels. California, along with the DOL, has invested in making faith-based and community-based organizations partners in reaching out to communities to ensure that the business community has access to an adequate workforce.

X. STATE ADMINISTRATION

- A. *What technology infrastructure and/or management information systems does the State have in place to support the State and local workforce investment activities such as a One-Stop operating system designed to facilitate case management and service delivery across programs, a State job matching system, web-based self service tools for customers, fiscal management systems, etc.? (§§111(d)(2), 112(b)(1) and 112(b)(8)(B).)***

California's workforce information system offers a user-friendly self-service website at www.labormarketinfo.edd.ca.gov that provides the information customers need to make informed decisions – including career information, State and local profiles for planning purposes, and links to job listings on America's Job Bank. Customer specific portal pages offer customers the information they require to explore their labor market needs. For instance, students can find career profiles, compare occupations side-by-side, search by skills and interests, search for jobs, find lists of employers to support their job searches, read articles, find publications, and access other career resources. Businesses can create job descriptions using occupational profiles, compare local occupational wages, and create demographic profiles for affirmative action planning or government contracts, and more.

California does not have an automated, statewide One-Stop operating system that fully integrates labor exchange services and case managed services for job seekers and employers. The State has standalone systems that address all of these functions. California is working on merging client data across automated systems for the ES, TGAAAA, and WIA programs. This will allow the State to improve data reporting, better evaluate program performance, and ultimately improve services to clients.

The following is a list of California's primary data tracking systems for Wagner-Peyser and WIA programs and the functions of each system:

ES Program:

- CalJOBSSM allows employers to enter job openings and workers to enter résumés and match to job listings.
- The PASS and the Activity Calendaring and Event Scheduler support case management for the employment service programs.
- The ECMS assists One-Stop staff in coordinating contacts with employers.

WIA Program

The JTA system supports client data collection and financial reporting and manages client information from application through follow-up, calculates performance at the State and local levels on a quarterly and annual basis, and computes all data necessary for the quarterly and annual reports. The JTA system produces the WIA Standard Record and compiles the data necessary for completion of the quarterly financial reports.

B. Describe the State's plan for use of the funds reserved for statewide activities under WIA §128 (a)(1)

The Governor's current plan for the use of statewide discretionary funding is focused on the three priorities of high-wage, high-growth jobs; advancing workers with barriers to employment; and industries with statewide shortages. Through unsolicited proposals and competitive solicitations these funds target areas that help build the workforce system's capacity to provide training services, particularly as they relate to industries that are most vital to the State's economy. The Governor also annually targets areas with statewide importance for funding, such as veterans services, health care and youth programs. The State Board, Local Boards, the State Legislature, and partner programs continually identify new and different strategic targets for the statewide funding and make recommendations to the Governor for strategic expenditures.

C. Performance Management and Accountability.

Improved performance and accountability for customer-focused results are central features of WIA. To improve, states need not only reporting systems in place to collect data and track performance, but also performance management and accountability systems to analyze the information and modify strategies to improve performance. (See Training and Employment Guidance Letter (TEGL) 17-05, Common Measures Policy for the Employment and Training Administration's (ETA) Performance Accountability System and Related Performance Issues, issued February 17, 2006.) In this section, describe how the State measures the success of its strategies in achieving its goals, and how the State uses this data to continuously improve the system.

- 1. Describe the State's performance accountability system, including any state-system measures and the state's performance goals established with local areas. Identify the performance indicators and goals the state has established to track its progress toward meeting its strategic goals and implementing its vision for the Workforce Investment system. For each of the core indicators, explain how the State worked with Local Boards to determine the level of the performance goals. Include a discussion of how the levels compare with the state's previous outcomes as well as with the State-adjusted levels of performance established for other states (if available), taking into account differences in economic conditions, the characteristics of participants when they entered the program and the services provided. Include a description of how the levels will help the State achieve continuous improvement over the two years of the Plan. (§§112(b)(3) and 136(b)(3).)**

California is striving to create a flexible, demand-driven employment and training system that is fully accountable at the State and federal levels. Both State-level initiatives and the local systems are focused on understanding and meeting the needs of employers. By working with job seeker customers to define

service plans that prepare them for demand occupations and provide work readiness skills that enable them to excel in California's adaptive labor market, the workforce system will assure that workers get jobs, retain jobs, and advance in those jobs. That service strategy will support the success of workers with barriers to employment as well as dislocated workers that need assistance in translating their skills to new occupations. The State performance levels are established to assure accountability while supporting the Governor's desire to assure that California's employment and training system is open to adults and youth with special needs and barriers to employment.

In setting California's performance targets, staff considered labor market conditions, past performance, the demographics of the State's client population, the Secretary of Labor's Government Performance and Results Act (GPRA) goals, and the circumstances in California relative to other States. The Governor's goals reflect an expectation of improved performance and an effort to support the Secretary of Labor in achieving the GPRA goals.

Some goals, however, for all client groups are lower than the Secretary's GPRA expectations. This reflects California's higher than average unemployment rates over the planning horizon and California's high-risk population. Using the Department of Labor's Federal Research and Evaluation Database (FRED) staff compared the characteristics of the job seekers served in California to the national average and to other large states and states with similar economic conditions. Specific states Included in the analysis are – Illinois, Ohio, Texas, and New York. The Adults and Dislocated Workers served in California are older, are more likely to have exhausted their unemployment insurance benefits, a higher percentage of clients are disabled, speak limited English, and are high school dropouts. In addition, many of these clients are coming to the program from high paying jobs in declining industries. Pre-program wages for these clients are higher than the national average.

California's challenge is exacerbated by economic conditions. Both the California Department of Finance and the University of California, Los Angeles Anderson Forecast indicates that California's unemployment rate will remain above the national average.

Historically, California's performance with Younger Youth has been above average and the State's performance expectations for this population reflect continually improving outcomes. The plan goals for youth services are somewhat below current performance, reflecting the Governor's desire to increase outreach and services to youth most in need, and assuring that all youth are given equal opportunity for successful careers.

California has not included the specific statistics from the FRED that support the performance goals as part of this plan, but will present findings in detail to the DOL if requested as part of the formal performance negotiation process. Through the State Plan public comment process, local CEOs and Local Boards have had the opportunity to comment on the performance goals. California will continue negotiations with local representatives following approval of the State Plan.

For PY 2009, the State will use a local negotiation process similar to that used in previous years. State staff will prepare proposed goals for each of the Local Boards. These goals are derived based on the State agreed-upon goals with the Secretary of Labor, relative economic conditions across the Local Areas, and the demographics of the client populations within the Local Areas. These State proposed goals are published for acceptance or negotiation by the CEOs and Local Boards through a State WIA

directive. Based on responses to the initial directive, negotiations are completed between the local representatives and the State and final goals are published through a final State WIA directive. As a rule, the negotiation process takes a minimum of two months to complete, thus providing the Local Areas some time for public comment on the goals at the local level.

The State and each of the Local Boards are able to monitor and evaluate performance on a quarterly basis through the JTA system. State staff are currently developing the following additional processes to assist with performance monitoring:

- Preparation of a quarterly performance summary by Local Area that will provide a historical trend for each performance measure, data by quarter for the current program year, and a risk rating that relates expected performance to actual performance based on labor market conditions and the characteristics of clients served within the Local Area; and
- Because the data in the administrative databases have limited power to explain performance outcomes, California will initiate discussion with the Local Boards to identify other process and program information that may relate to successful performance. Some of this learning will come from the current State-initiated WIA Evaluation to be completed in April 2006. Additional information will be garnered through surveys and conversations with the local partners.

2. Describe any target applicant groups, such as TANF recipients, veterans, ex-offenders, and migrant and seasonal farmworkers under WIA Title I, the Wagner-Peyser Act or Title 38 Chapters 41 and 42 (Veterans Employment and Training Programs) that the state tracks. (§§111(d)(2), 112(b)(3) and 136(b)(2)(C).

California is committed to providing quality workforce services to all Californians. Given limited resources and economic conditions, Local Boards are encouraged to provide services to adults and youth with multiple barriers to employment, and to people with disabilities. The Governor is also investing significant resources to assuring full services are available to veterans.

3. Identify any performance outcomes or measures in addition to those prescribed in WIA and what process the state is using to track and report them.

Currently California has no additional performance measures for the workforce system outside those prescribed by the WIA. Because of the Governor's goal of integrating the workforce system with economic development and assuring effective links to the employer community, the State Board will consider recommending the implementation of one or more employer-based performance measure(s).

4. Describe the State's common data system and reporting processes in place to track progress. Describe what performance information will be collected from the various One-Stop partners (beyond what is required by the DOL), use of quarterly wage

records and how the Statewide system will have access to the information to continuously improve. (§112(b)(8)(B)).

California calculates WIA performance through the statewide JTA system. The client data collection forms are described in detail in the Client Forms Handbook. This guide has been out for reference since May 2002. A recent revision was released in WIAD04-17, March 24, 2005. The JTA system tracks client services from application through follow-up. The client Enrollment Form is designed to track all services received by the client regardless of the partner providing the service. All recipients of WIA funds are required to report through the JTA system. How and if local partner services are reported through the JTA system is at the discretion of the local partners.

The JTA system provides the facility for a locally specified Agency Code to allow local administrators to identify and monitor local partner activities. The JTA system has standard reports that will generate performance outcomes by Agency Code, Governor's Discretionary Grant or Special Project, Local Board, and statewide. Most of these outcome summaries are available at the local and State-level. Local service providers may work within the system or they may transfer data periodically from a separate locally developed automation system. Client records must be transmitted to the State on a monthly basis. The JTA system contains edit checks to assure that data entries are valid.

The JTA system produces a variety of standardized reports to assist the State and Local Board's in monitoring client activity and performance. Examples of these reports include:

- Summary of enrollments and client characteristics;
- The performance detail report to calculate local performance;
- The WIA performance roster that displays the clients in the numerator and denominator of each measure;
- Listing of clients approaching 90-days without service;
- A listing of exited clients and the quarterly follow-up schedule; and
- Wage record outcome status by client.

To obtain wage record information for the calculation of performance outcomes, the JTA system links directly to California's employer wage records. Client records are matched at enrollment for pre-program wages and quarterly for post-exit performance evaluation. For California's Local Boards, the client-specific wage record data are available through the JTA. Based on California statute, private for-profit or non-profit contractors may not have access to the wage record detail. These contractors are able to view aggregate reports. The JTA system produces an extract file for matching to the national wage record interchange system.

5. Describe the actions the Governor and State Board will take to ensure collaboration with key partners and continuous improvement of the statewide workforce investment system. (§§111(d)(2) and 112(b)(1)).

The State Board works collaboratively with key stakeholders on all areas of workforce development in California. Supporting the development of a demand-driven architecture for California's workforce system, business leaders who represent the multi-faceted diversity of industries in California are active members on the State Board. The State Board also engages in contracts, MOUs, and interagency agreements for services from the various State-level partners. The State Board and special committees are dedicated to the continuous improvement of California's workforce system and are comprised of business leaders, local representatives, and representatives of State agencies, all striving towards the improvement of the State's workforce investment system.

In implementing the Workforce Training Act and Green Collar Jobs Act, the State Board collaborates with all necessary and appropriate State and local partners in developing a broad, comprehensive, strategic plan for California's workforce system. The State Board engages State and local government, practitioners, organized labor, business and industry, economic development, and education in new and more meaningful ways. With the passage of ARRA and the decline of the nation's economy, new partnerships are forming to identify common objectives and implement strategies to eliminate overlapping efforts and utilize existing systems. The State Board's ongoing strategic planning process relies heavily on policy work through its special committees, as well as State Board meetings and other public venues such as regional forums to which all stakeholders and interested parties will be invited.

6. *How do the State and Local Boards evaluate performance? What corrective actions (including sanctions and technical assistance) will the State take if performance does not meet expectations? How will the State and Local Boards use the review process to reinforce the strategic direction of the system? (§§111(d)(2), 112(b)(1) and 112(b)(3).*

The State evaluates and monitors performance on a quarterly basis using the standard reports generated by the JTA system. The State's incentive and sanctions policies are specified in two directives – WIAD04-12 is the State's most recent issuance of the State's requirements to receive an exemplary performance award, and WIAD06-10 provides the State's sanction policies for nonperformance.

An under-performing Local Board is required to complete a corrective action plan that is reviewed and approved by State staff. The State will provide technical assistance in support of the local corrective action plan including advice thorough the use of a State "performance review team" as well as other types of training. As part of the corrective action planning process, Local Boards are asked, among other things, to consider the strategic elements of their local systems, including:

- Improving local partnerships and expanding One-Stop services;
- Improving access to local labor market information;
- Reorganization;
- The local One-Stop certification process; and
- Improving linkages to the business community.

7. ***Include the proposed level for each performance measure for each program year covered by the Plan. While the plan is under review, the state will negotiate with the respective ETA Regional Administrator to set the appropriate levels. States must identify the performance indicators required under section 136, and, for each indicator, the State must develop an objective and quantifiable performance goal for each program year. States are encouraged to address how the performance goals for local workforce investment areas and training providers will help them attain their statewide performance goals. (§§112(b)(3) and 136.)***

Attachment M provides California's proposed performance goals for Program Year 2009. A general explanation for the specified performance levels is provided in the State's response in Section X.D.1. The State assumes that more detailed discussions may take place during the formal negotiation and approval of the goals.

D. Administrative Provisions

1. ***Provide a description of the process for appeals of local area non-designation referred to in §116(a)(5).***

An entity denied designation will have twenty calendar days from the postmark date of the denial letter to file an appeal. An entity will meet the filing deadline if the appeal is postmarked within the 20-day deadline described in the preceding sentence. The entity shall submit the appeal to the State Board as required under the WIA.

(a) Appeal to the State Board

The appeal must include all factual and legal arguments as to why the appeal should be granted. The State Board will conduct a review of the appeal and will issue a recommendation to the Governor within thirty calendar days of receiving the appeal. The designation process will continue while the appeal is in progress, and will be modified should the initial denial of designation be overturned.

(b) Appeal to the U.S. DOL

If the appeal of the decision submitted within the required time frame does not result in the requested designation, the unit or grant recipient may further appeal the designation decision to the U.S. Secretary of Labor. The appeal to the Secretary must be consistent with the requirements of the WIA of 1998. The U.S. Secretary of Labor, after receiving a request for review from the unit or grant recipient and upon determining that the unit or grant recipient was not accorded procedural rights under the appeal process established in the State Plan, or that the area meets the requirements of Section 116(a) paragraph (2) or (3), as appropriate, may require that the area be designated as a local area under such appropriate paragraph.

2. Describe the steps taken by the State to ensure compliance with the non-discrimination requirements outlined in §188.

The State developed a Methods of Administration (MOA) document that reflects the Governor's commitment to nondiscrimination and equal opportunity. The elements contained in this document outline California's policy on the nondiscrimination provisions outlined in WIA Title I Section 188 and meet the intent and mandate of Title 29 CFR Part 37 37.54(a). The provisions of the MOA apply to California WS, UI, and WIA Title I financially assisted programs, activities, and recipients.

The EDD issued WSD07-6 establishing the State policy on nondiscrimination and equal opportunity. This directive contains the nine distinct elements outlined in the MOA and highlights compliance requirements that are significant to Local Areas and other WIA Title I recipients. These elements include:

- Requiring each Local Area to designate a local-level Equal Opportunity Officer;
- Notice and communication requirements;
- Reviewing assurances in Job Training Plans, Contracts, and Policies and Procedures;
- Compliance with Section 504 of the Rehabilitation Act of 1973 and Title 29 CFR Part 37;
- Ensuring Universal Access;
- Data and information collection and maintenance;
- Monitoring recipients for compliance;
- Complaint processing procedures; and
- Corrective actions and sanctions.

XI.ASSURANCES

1. The State assures that it will establish, in accordance with section 184 of the Workforce Investment Act, fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through the allotments made under sections 127 and 132. (§112(b)(11).)
2. The State assures that it will comply with section 184(a)(6), which requires the Governor to, every two years, certify to the Secretary, that -
 - the State has implemented the uniform administrative requirements referred to in section 184(a)(3);
 - the State has annually monitored local areas to ensure compliance with the uniform administrative requirements as required under section 184(a)(4); and
 - the State has taken appropriate action to secure compliance with section 184(a)(3) pursuant to section 184(a)(5). (§184(a)(6).)
3. The State assures that the Adult and Youth funds received under the Workforce Investment Act will be distributed equitably throughout the State, and that no local areas will suffer significant shifts in funding from year to year during the period covered by this Plan. (§112(b)(12)(B).)
4. The State assures that veterans will be afforded employment and training activities authorized in section 134 of the Workforce Investment Act, and the activities authorized in chapters 41 and 42 of Title 38 US code. The State assures that it will comply with the veterans priority established in the Jobs for Veterans Act. (38 USC 4215.)
5. The State assures that the Governor shall, once every two years, certify one Local Board for each local area in the State. (§117(c)(2).)
6. The State assures that it will comply with the confidentiality requirements of section 136(f)(3).
7. The State assures that no funds received under the Workforce Investment Act will be used to assist, promote, or deter union organizing. (§181(b)(7).)
8. The State assures that it will comply with the nondiscrimination provisions of section 188, including an assurance that a Methods of Administration has been developed and implemented (§188.)
9. The State assures that it will collect and maintain data necessary to show compliance with the nondiscrimination provisions of section 188. (§185.)
10. The State assures that it will comply with the grant procedures prescribed by the Secretary (pursuant to the authority at section 189(c) of the Act), which are necessary to enter into grant agreements for the allocation and payment of funds under the Act. The procedures and agreements will be provided to the State by the ETA Office of Grants and Contract Management and will specify the required terms and conditions and assurances and certifications, including, but not limited to, the following:
 - General Administrative Requirements:
 - -29 CFR part 97 --Uniform Administrative Requirements for State and Local Governments (as amended by the Act)

- -29 CFR part 96 (as amended by OMB Circular A-133) --Single Audit Act
 - -OMB Circular A-87 --Cost Principles (as amended by the Act)
 - Assurances and Certifications:
 - -SF 424 B --Assurances for Non-construction Programs
 - -29 CFR part 37 --Nondiscrimination and Equal Opportunity Assurance (and regulation) 29 CFR § 37.20
 - -CFR part 93 --Certification Regarding Lobbying (and regulation)
 - -29 CFR part 98 --Drug Free Workplace and Debarment and Suspension Certifications (and regulation)
 - Special Clauses/Provisions: Other special assurances or provisions as may be required under Federal law or policy, including specific appropriations legislation, the Workforce Investment Act, or subsequent Executive or Congressional mandates.
11. The State certifies that the Wagner-Peyser Act Plan, which is part of this document, has been certified by the State Employment Security Administrator.
 12. The State certifies that veterans' services provided with Wagner-Peyser Act funds will be in compliance with 38 U.S.C. Chapter 41 and 20 CFR part 1001.
 13. The State certifies that Wagner-Peyser Act-funded labor exchange activities will be provided by merit-based public employees in accordance with DOL regulations.
 14. The State assures that it will comply with the MSFW significant office requirements in accordance with 20 CFR part 653.
 15. The State certifies it has developed this Plan in consultation with local elected officials, local workforce boards, the business community, labor organizations and other partners.
 16. As a condition to the award of financial assistance from the Department of Labor under Title I of WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:
 - Section 188 of the Workforce Investment Act of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title I-financially assisted program or activity;
 - Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin;
 - Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
 - The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and
 - Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.
 - The grant applicant also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA Title I-financially assisted program or activity, and to all agreements the grant applicant makes to carry out the WIA Title I-financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

17. The State assures that funds will be spent in accordance with the Workforce Investment Act and the Wagner-Peyser Act and their regulations, written Department of Labor Guidance implementing these laws, and all other applicable Federal and State laws.

Attachments

A. PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

Name of WIA Title I Grant Recipient Agency:

California Employment Development Department
Address: P.O. Box 826880, Sacramento, CA 94280-0001
Telephone Number: (916) 654-8210
Facsimile Number: (916) 657-5294
E-mail Address: phenning@edd.ca.gov

Name of State WIA Title I Administrative Agency (if different from the Grant Recipient):

California Labor and Workforce Development Agency
Address: 801 K Street, Suite 2101, Sacramento, CA 95814
Telephone Number: (916) 327-9064
Facsimile Number: (916) 327-9158
E-mail Address: Jaime.Fall@labor.ca.gov

Name of WIA Title I Signatory Official:

Doug Hoffner, Acting Secretary, California Labor and Workforce Development Agency
Address: 801 K Street, Suite 2101, Sacramento, CA 95814
Telephone Number: (916) 327-9064
Facsimile Number: (916) 327-9158
E-mail Address: gail.siemens@labor.ca.gov

Name of WIA Title I Liaison: Patrick Henning, Director, California Employment Development Department

Address: P.O. Box 826880, Sacramento, CA 94280-0001
Telephone Number: (916) 654-8210
Facsimile Number: (916) 657-5294
E-mail Address: phenning@edd.ca.gov

Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:

Patrick Henning, Director, California Employment Development Department
Address: P.O. Box 826880, Sacramento, CA 94280-0001
Telephone Number: (916) 654-8210
Facsimile Number: (916) 657-5294
E-mail Address: phenning@edd.ca.gov

Name and title of State Employment Security Administrator (Signatory Official):

Patrick Henning, Director, California Employment Development Department
Address: P.O. Box 826880, Sacramento, CA 94280-0001
Telephone Number: (916) 654-8210
Facsimile Number: (916) 657-5294
E-mail Address: phenning@edd.ca.gov

As the Governor, I certify that for the State/Commonwealth of _____, the agencies and officials designated above have been duly designated to represent the State/Commonwealth in the capacities indicated for the Workforce Investment Act, Title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this Plan and the assurances herein.

Typed Name of Governor: Arnold Schwarzenegger

Signature of Governor _____ Date _____

B. GLOSSARY OF ACRONYMS AND ABBREVIATIONS

AB	Assembly Bill
ACES	Activity Calendaring & Event Scheduler
ADA	Americans with Disabilities Act
ALMIS	America's Labor Market Information System
BLS	Bureau of Labor Statistics
BTHA	Business Transportation & Housing Agency
CalJOBS	California's Computerized Job Search System
CalWorks	California Work Opportunity & Responsibility to Kids
CBU	Capacity Building Unit
CCCCO	California Community Colleges Chancellor's Office
CDE	California Department of Education
CDSS	California Department of Social Services
CEO	Chief Elected Officials
CPR	California Performance Review
CRD	Compliance Review Division
CREP	California Regional Economies Project
CTE	Career Technical Education
CWA	California Workforce Association
DABSA	Dymally-Alatorre Bilingual Services Act
DGS	Department of General Services
DOL	Department of Labor
DVOP	Disabled Veterans Outreach Program
ECMS	Employer Contact Management System
EDD	Employment Development Department
ETA	Employment & Training Administration
ETP	Employment Training Panel
ETPL	Eligible Training Provider List
FRED	Federal Research & Evaluation Database
GCEPD	Governor's Committee on Employment of People with Disabilities
GCJC	Green Collar Jobs Council
GED	General Equivalency Diploma
GPRA	Government Performance & Results Act
IAW	Initial Assistance Workshops
IRP	Individual Reemployment Plan
IT	Information Technology
ITA	Individual Training Accounts
ES	Employment Service
JTA	Job Training Automation
LEP	Limited English Proficient
LMID	Labor Market Information Division
Local Area	Local Workforce Investment Area
Local Board	Local Workforce Investment Board
LVER	Local Veterans Employment Representative
LVN	Licensed Vocational Nurse
LWDA	Labor & Workforce Development Agency
MOA	Methods of Administration
MOU	Memoranda of Understanding
MSFW	Migrant & Seasonal Farm Workers

NAICS	North American Industry Classification System
NORTEC	Northern Rural Training Employment Consortium
OJT	On-the-Job-Training
ONET	Occupational Information Network
PASS	Program Activity Support System
PIP	Planning Information Packets
PJSA	Personalized Job Search Assistance
PRA	Personal Re-employment Account
PY	Program Year
REA	Reemployment Eligibility Assessment
RES	Reemployment Services
RFP	Request for Proposal
RN	Registered Nurse
SB	Senate Bill
SCANS	Secretary's Commission on Achieving Necessary Skills
SFP	Solicitation for Proposal
SI	Supply Indicator
State Board	California Workforce Investment Board
SWAO	Senior Worker Advocate Office
SYC	State Youth Council
TGAAAA	Trade Adjustment Assistance
TANF	Temporary Assistance to Needy Families
TEGL	Training & Employment Guidance Letter
TEGN	Training and Employment Guidance Notice
UI	Unemployment Insurance
UIB	Unemployment Insurance Branch
WARN	Worker Adjustment and Retraining Notification
WIA	Workforce Investment Act
WIAD	Workforce Investment Act Directive
WIAB	Workforce Investment Act Bulletin
WID	Workforce Investment Division
WPRS	Worker Profiling & Reemployment Services
YCi	Youth Council Institute

C. CALIFORNIA'S CURRENT WAIVERS

1. Subsequent Eligibility of Training Providers

This waiver request continues the suspension of subsequent eligibility certification requirements of WIA Section 122(c) granted during the 2007-2009 Program Years. These requirements are an impediment to the participation of the State's educational system on the Eligible Training Provider List (ETPL). As such, the primary goal in requesting the extension of the waiver is to continue to increase the availability of training and the accountability of training providers so to enhance the customer choice and the use of Individual Training Accounts (ITA).

This waiver encourages broader participation on the ETPL and minimizes the management burden for the local workforce investment areas. In these lean economic times, participation by the Community College system and the Apprenticeship programs is critical to developing the skills of our workforce. Discontinuing this waiver will create an impediment to the workforce system's partnership with education and business and our limit our efforts to train staff in emerging occupations.

2. Youth WIA Dollars to fund ITAs for Older Youth

This waiver of 20 CFR 664.510 was approved during the 2003 waiver plan and has been extended three times, through June, 2009. This waiver is helping to maximize the service capacity of the One-Stop Career Centers by allowing the use of Youth funds to serve older youth, who are focused on employment, to have the same advantage of ITAs as adult and dislocated workers. Without this waiver, the workforce system would be forced to co-enroll older youth in the adult and dislocated worker programs to provide training opportunities through the use of ITAs. The continuation of this waiver streamlines customer service and avoids the need for an unnecessarily bureaucratic process.

3. Use of Local Formula Funds for Incumbent Worker Training WIA Section 134

The waiver of WIA Section 134, originally implemented in November, 2006 allows Local Boards to use up to 50 percent of local formula funds for incumbent worker training, allowing them to respond better to local economic changes and serving employers and their employees who require training. During the national economic down turn, the Local Boards need this flexibility to assist employers retain employees and to provide incumbent workers the opportunity to gain necessary skills to maintain employment. By continuing this waiver, the Local Boards will be able to effectively market incumbent worker training to the private sector, thus expanding partnerships with employers in growth and demand industries. This will reduce the risk of layoffs of employees who need skill upgrades and allow employers to create opportunities for new workers to take the place of existing workers who have moved up the career ladder.

4. Transferability of Adult and Dislocated Worker Formula Funds WIA 133(b)(4)

The waiver of WIA Section 133(b)(4) was originally approved in October, 2006 authorizing the transfer of up to 50 percent of funds between the Adult and the Dislocated Worker funding streams. That waiver was extended and expanded in the 2007-2009 WIA Plan, allowing transfer of up to 100 percent of those funds between the funding streams. This waiver will continue to provide needed flexibility to Local Boards to respond to changes in their local labor markets and will help ensure that WIA funds are used in a way that maximizes customer service and other demand-driven needs of the business community. The need for this waiver is critical given the current economic shifts occurring in our state.

Finally, the waiver has been especially important for California's efforts toward full integration of the Employment and Training Administration programs. This waiver has eased the paperwork burden at the local level allowing for improved services to more clients. In California's integrated local learning labs, we have enrolled about nine times as many job seekers in program year 2008 compared to the same period in program year 2007. Almost half of those clients have received a skill development service within 30 days of enrollment. The funding flexibility afforded by this waiver has been critical to this effort.

5. Customized Training Sliding Scale

This waiver of WIA 101(8)(C), implemented in November, 2006 strives to serve small businesses that may find it difficult if not impossible to provide a full 50 percent match. In California, a majority of private sector employment is provided by small businesses. This waiver, along with the waiver of Section 134, will continue to provide a valuable tool to Local Boards in their support of California's small businesses and their employees. The sliding scale for employer match provides the necessary flexibility for small businesses to participate in the WIA customized training program, thereby increasing participation and employment rates for skilled job seekers. Employers benefit from the waiver by having a labor pool with the marketable skills they require.

6. Common Measures

This waiver of WIA 136(b), implemented in December of 2007, authorizes the State to report the Department of Labor Common Measures instead of the 17 performance measures for the Workforce Investment Act Title 1B programs. The streamlined common measures allow for increased program integration and improved evaluation of employment and training programs.

This waiver simplifies youth accountability and focuses the system on partnership with the education system. The movement to the youth common measures aligns the youth services system with education in an effort to improve basic skills and assure that young people leave our programs with at least a high school diploma or equivalent and the occupational skills necessary to enter the workforce and retain employment. Discontinuing this waiver will create confusion in the youth services system and may lessen the incentive to leverage resources through effective partnerships with the education community.

D. CALIFORNIA WORKFORCE INVESTMENT BOARD MEMBERSHIP

NAME	TITLE/AFFILIATION
Cynthia Amador	President and CEO
	CHARO Community Development Corporation
Bob Balgenorth	President
	State Building and Construction Trades Council of California
S. Kimberly Belshe	Secretary
	California Health and Human Services Agency
Norris Bishton, Jr.	CEO
	NOARUS Auto Group
Dale E. Bonner	Secretary
	California Business, Transportation, and Housing Agency
Kenneth C. Burt	Political Director
	California Federation of Teachers
Wilmer Amina Carter	Assembly Member
	California State Assembly
Jamil Dada	Vice President, Investment Services
	Provident Bank-Riverside County Branches
The Honorable Mark J. DeSaulnier	Senator
	California State Senate
The Honorable Denise Ducheny	Senator
	California State Senate
VICE-CHAIR Chris Essel	Senior Vice President, Planning and Development, Public Affairs
	Paramount Pictures
Larry Fortune	President
	Fortune Associates
Louis Franchimon	Executive Secretary
	Napa Solano Building Trades Council
Victor Manuel Franco	Vice President, Community Relations
	NBC Telemundo 52 – Los Angeles
CHAIR – Lawrence R. Gotlieb	Vice President for Government and Public Affairs Associate Corporate Counsel
	KB Home Corporation
Joseph Griesedieck	Vice Chairman
	Korn/Ferry International
Patrick Henning, Sr.	Director
	California Employment Development Department
Doug Hoffner,	Acting Secretary
	California Labor and Workforce Development Agency

Faye Huang	CEO
	Asian Pacific Consulting
T. Warren Jackson	Assistant General Counsel-Corporate Law Department
	Hughes Electronics
Kirk Lindsey	President
	Brite Transportation Systems
Richard Mendlen	Vice President/Chief Operations Officer
	Kennon S. Shea & Associates
Kathleen Milnes	President/CEO
	The Entertainment Economy Institute
Richard Montanez	Vice President of Ethnic Sales and Community Development – North America Division
	Pepisco, Inc.
Elvin W. Moon	President and CEO
	E.W. Moon Incorporated Infrastructure Group
Edward Munoz	Chief Officer Government Affairs
	Raytheon Company
The Honorable Jack O'Connell	State Superintendent of Public Instruction
	California Department of Education
Gayle Pacheco	President
	Western Hardware Company
Pete Parra	Owner
	Parra Family Foundation
Stella Premo	Executive Director
	California Restaurant Association Educational Foundation
Art Pulaski	Executive Secretary/Treasurer
	California Labor Federation, AFL/CIO
The Honorable Miguel A. Pulido	Mayor
	City of Santa Ana
The Honorable Frank J. Quintero	Member
	Glendale City Council
Arturo Rodriguez	President
	United Farm Worker of America, AFL-CIO
Richard Rubin	President
	Richard A. Rubin Associates
Jack Scott	Chancellor
	California Community Colleges
Barry Sedlik	President
	California Business Ventures

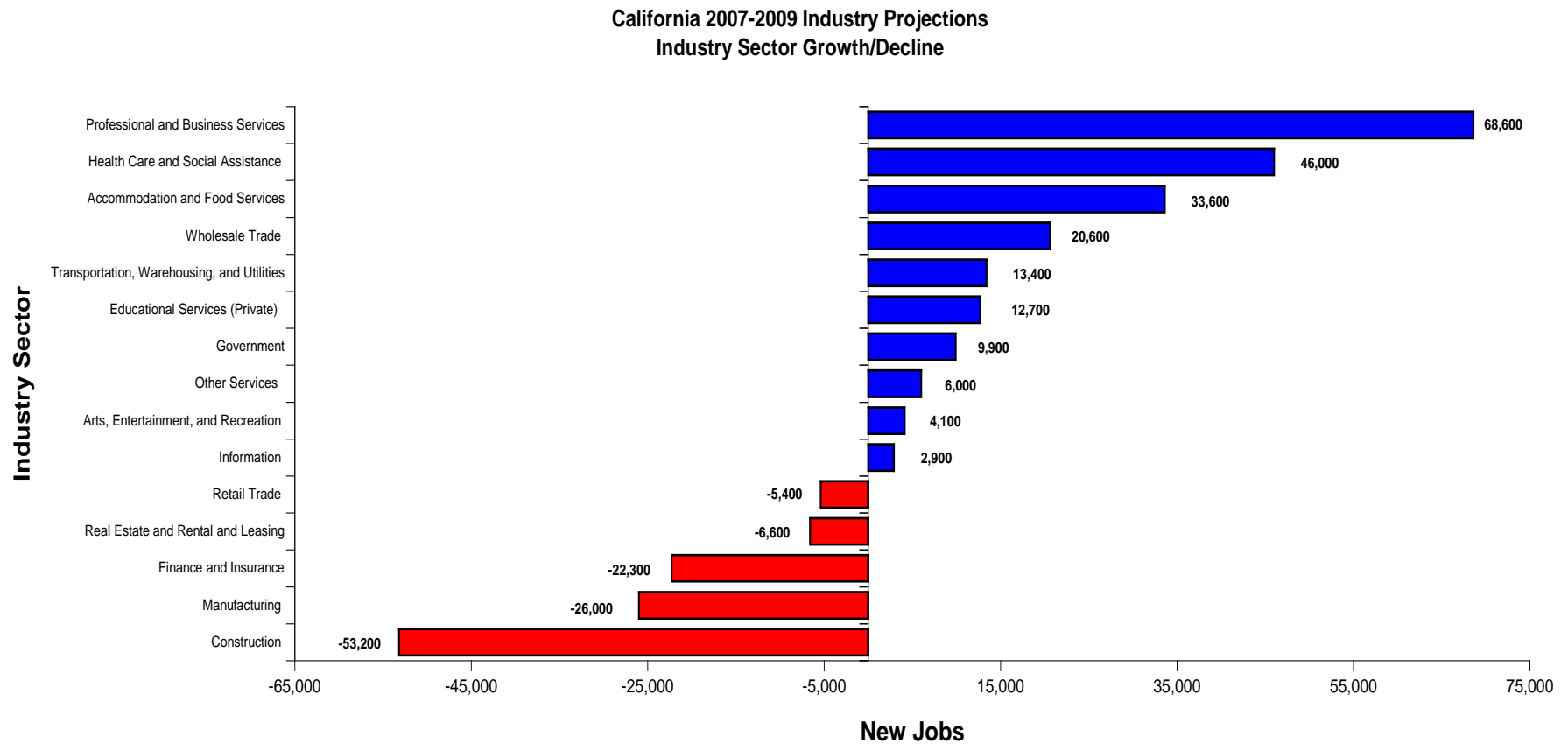
James Shelby	President/CEO
	Greater Sacramento Urban League
The Honorable Sandre Swanson	Assembly Member
	California State Assembly
Audrey Taylor	President/CEO
	Chabin Concepts Incorporated
Willie Washington	Consultant
	California Manufactures & Technology Association

E. LOCAL WORKFORCE INVESTMENT AREAS

Local Workforce Investment Areas	Business City
Alameda County	Hayward
City of Anaheim	Anaheim
City of Long Beach	Long Beach
City of Los Angeles	Los Angeles
City of Oakland	Oakland
City of Richmond	Richmond
City of San Bernardino	San Bernardino
City of San Jose/Silicon Valley Workforce Investment Area	San Jose
City of Santa Ana	Santa Ana
Contra Costa County	Concord
Foothill Consortium	Pasadena
Fresno County	Fresno
Humboldt County	Eureka
Imperial County	El Centro
Kern, Inyo, and Mono Consortium	Bakersfield
Kings County	Hanford
Los Angeles County	Los Angeles
Madera County	Madera
Marin County	San Rafael
Mendocino County	Arcata
Merced County	Merced
Monterey County	Salinas
Mother Lode Consortium	Sonora

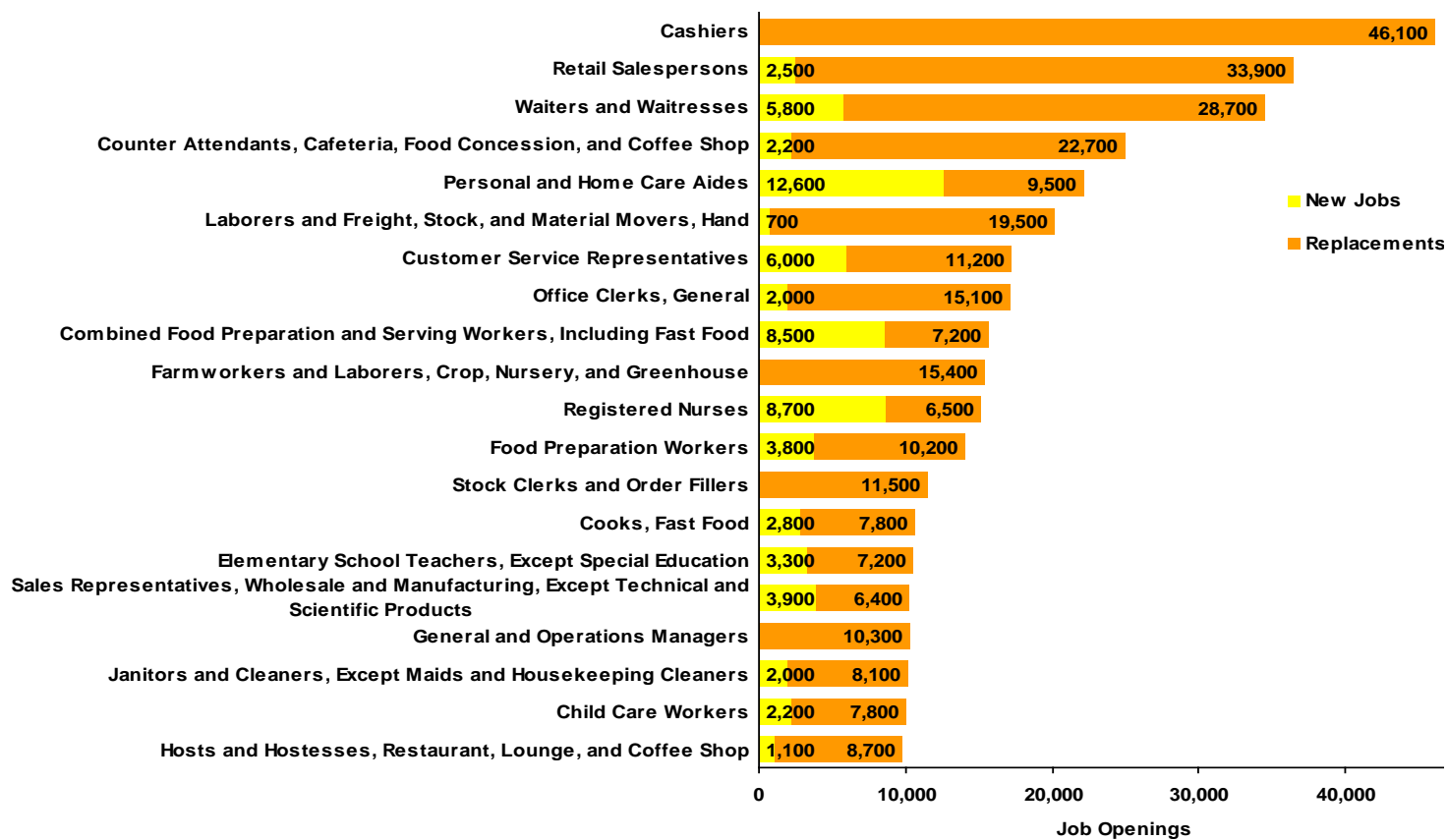
Napa County	Napa
NorTEC	Paradise
North Central Counties Consortium	Yuba City
NOVA	Sunnyvale
Orange County	Anaheim
Riverside County	Riverside
Sacramento County/City	Sacramento
San Benito County	Hollister
San Bernardino County	San Bernardino
San Diego County/City	San Diego
San Francisco County/City	San Francisco
San Joaquin County	Stockton
San Luis Obispo County	San Luis Obispo
San Mateo County	Belmont
Santa Barbara County	Santa Barbara
Santa Cruz County	Santa Cruz
SELACO	Cerritos
Solano County	Suisun
Sonoma County	Santa Rosa
South Bay Consortium	Hawthorne
Stanislaus County	Modesto
Tulare County	Visalia
Ventura County	Ventura
Verdugo Consortium	Glendale
Yolo County	Woodland

F. SHORT TERM INDUSTRY PROJECTIONS

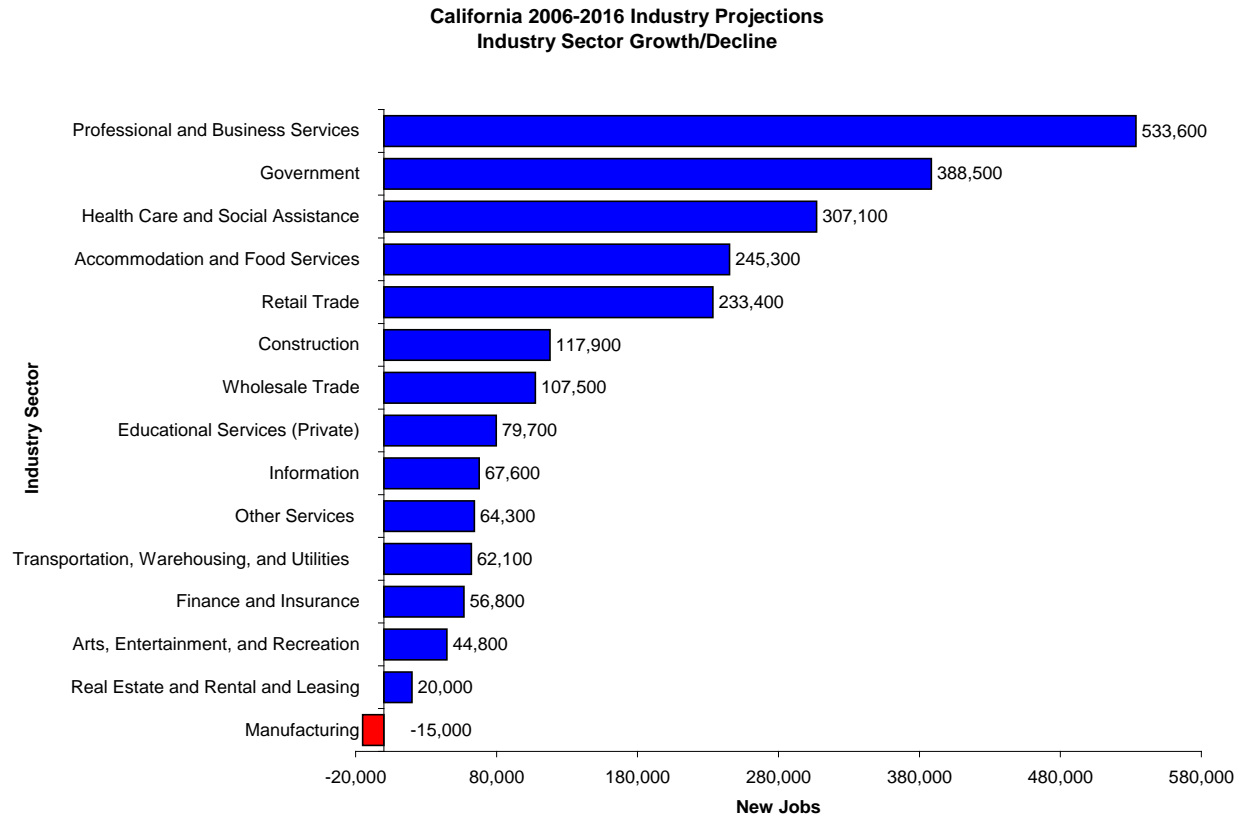


G. SHORT TERM OCCUPATIONAL PROJECTIONS

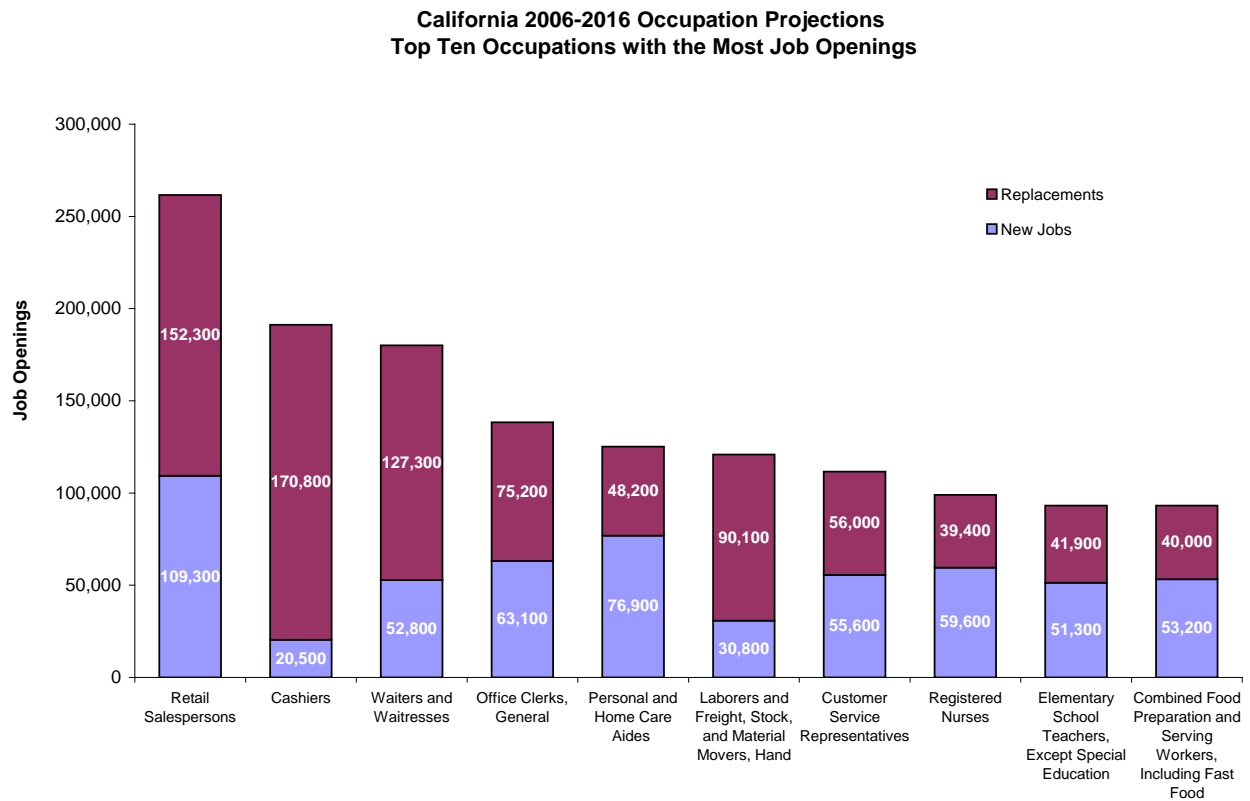
California 2007-2009 Occupational Projections Top Twenty Occupations with the Most Job Openings



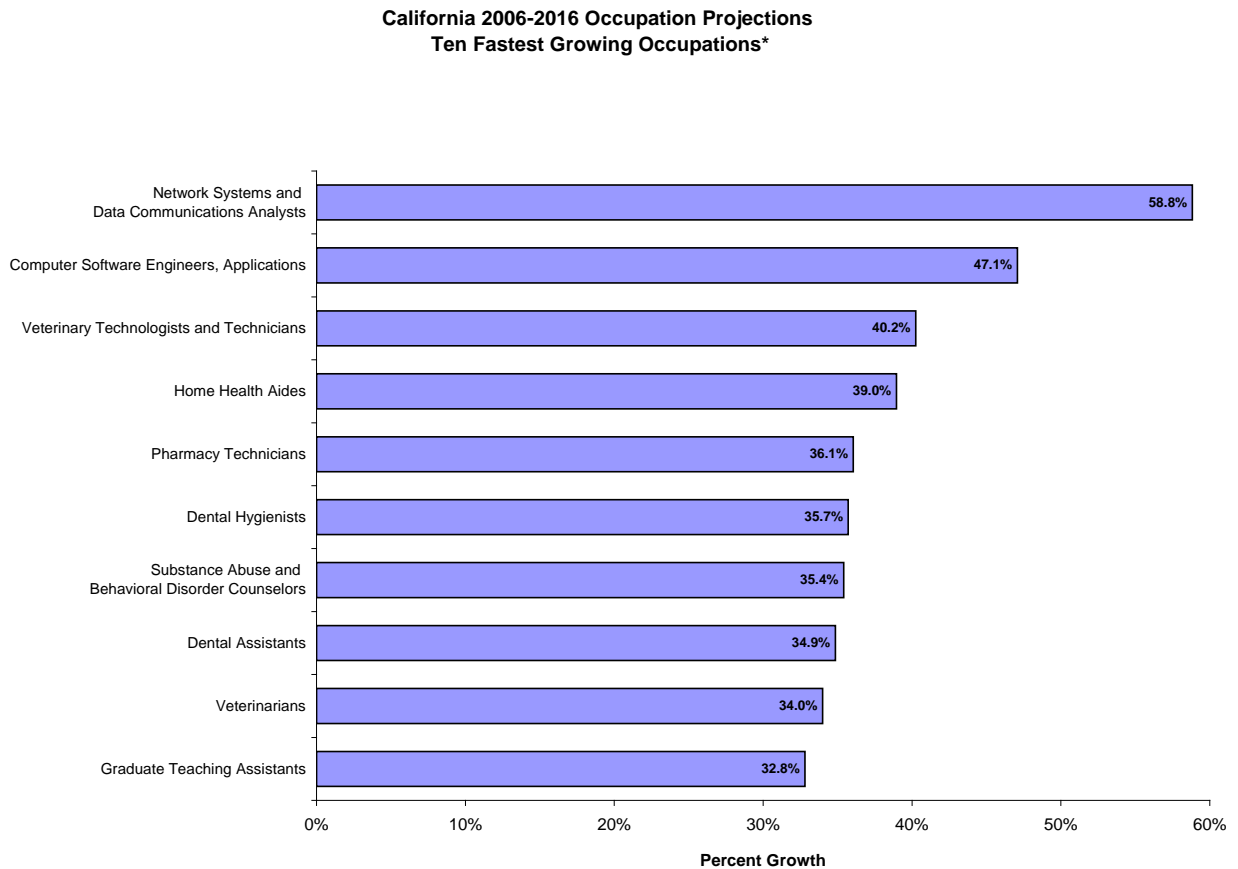
H. LONG TERM INDUSTRY PROJECTIONS



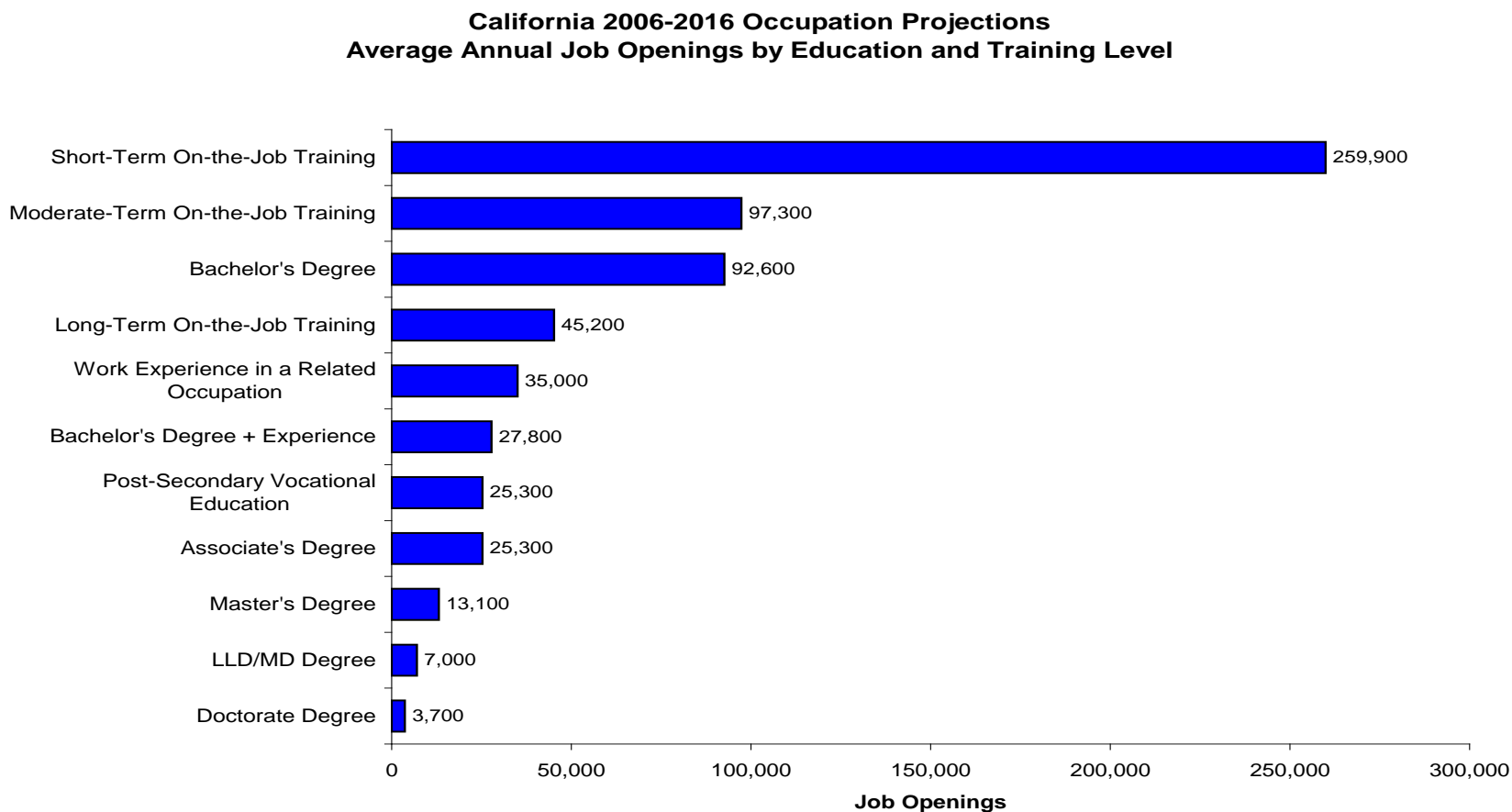
I. LONG TERM OCCUPATIONAL PROJECTIONS: MOST JOB OPENINGS



J. LONG TERM OCCUPATIONAL PROJECTIONS: FASTEST GROWING JOBS



K. LONG TERM OCCUPATIONAL PROJECTIONS: OPENINGS BY EDUCATIONAL AND TRAINING LEVEL



L. SKILL REQUIREMENTS OF HIGH UNEMPLOYMENT OCCUPATIONS, FEBRUARY 2009

High Unemployment Occupations February 2009	BLS Educ. Level	Active Learning	Active Listening	Coordination	Critical Thinking	Equipment Maintenance	Equipment Selection	Judgment & Decision Making	Instructing	Learning Strategies	Personnel Resource	Mathematics	Monitoring	Operation Monitoring	Persuasion	Quality Control Analysis	Reading comprehension	Service Orientation	Social Perceptiveness	Speaking	Time Management	Writing
General & Operations Managers	4		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>															<input type="checkbox"/>	<input type="checkbox"/>	
Loan Officers	5		<input type="checkbox"/>												<input type="checkbox"/>		<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
First-Line Supervisors/ Managers of Production and Operating Workers	8		<input type="checkbox"/>						<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>				<input type="checkbox"/>					
Carpenters	9		<input type="checkbox"/>		<input type="checkbox"/>			<input type="checkbox"/>				<input type="checkbox"/>									<input type="checkbox"/>	
Construction Laborers	10		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		<input type="checkbox"/>											<input type="checkbox"/>		
Bookkeeping, Accounting & Auditing Clerks	10		<input type="checkbox"/>		<input type="checkbox"/>							<input type="checkbox"/>					<input type="checkbox"/>				<input type="checkbox"/>	
Executive Secretaries & Administrative Assistants	10		<input type="checkbox"/>														<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Truck Drivers, Heavy & Tractor-Trailer	10		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>													<input type="checkbox"/>	
Team Assemblers	10	<input type="checkbox"/>	<input type="checkbox"/>						<input type="checkbox"/>	<input type="checkbox"/>						<input type="checkbox"/>						
Sewing Machine Operators	10		<input type="checkbox"/>			<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>						<input type="checkbox"/>						
Inspectors, Testers, Sorters, Samplers, and Weighers	10		<input type="checkbox"/>						<input type="checkbox"/>					<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>					
Retail Salespersons	11		<input type="checkbox"/>		<input type="checkbox"/>							<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>		
Office Clerks, General	11		<input type="checkbox"/>														<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Laborers & Freight, Stock, & Material Movers Hand	11		<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>							<input type="checkbox"/>					
Waiters and Waitresses	11		<input type="checkbox"/>	<input type="checkbox"/>														<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Combined Food Prep. and Serving Workers, Including Fast Food	11		<input type="checkbox"/>						<input type="checkbox"/>			<input type="checkbox"/>						<input type="checkbox"/>		<input type="checkbox"/>		
Landscaping and Groundskeeping Workers	11		<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>										<input type="checkbox"/>			<input type="checkbox"/>		
Personal and Home Care aides	11		<input type="checkbox"/>	<input type="checkbox"/>									<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>			
Child Care Workers	11		<input type="checkbox"/>						<input type="checkbox"/>	<input type="checkbox"/>									<input type="checkbox"/>	<input type="checkbox"/>		
Loan Interviewers	11		<input type="checkbox"/>									<input type="checkbox"/>					<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	

*Current Population Survey data looks at the Standard Occupational Classification major group level rather than the detailed occupation level. These occupations are the largest their group based on Projections of Employment 2006-2016. Data based on unemployment insurance claims is not available by occupation.

M. COMPARISON OF GROWING OCCUPATIONS IN CALIFORNIA, 2006-2016

Fastest Growing* (Percentage Growth)	Education / Training Level	Largest Growing* (Adding the Most Jobs)
Home Health Aides (39.0% or 18,700 jobs) Physical Therapist Aides (31.4% or 1,600 jobs) Personal and Home Care Aides (27.1% or 76,900 jobs) Combined Food Preparation and Serving Workers, Including Fast Food (25.2% or 53,200 jobs) Food Preparation Workers (23.5% or 26,000 jobs)	Short-term on-the-job training (one month or less)	Retail Salespersons (109,300 jobs) Personal and Home Care Aides (76,900 jobs) Office Clerks, General (63,100 jobs) Combined Food Preparation and Serving Workers, Including Fast Food (53,200 jobs) Waiters and Waitresses (52,800 jobs)
Pharmacy Technicians (36.1% or 8,400 jobs) Dental Assistants (34.9% or 14,500 jobs) Medical Assistants (30.8% or 18,300 jobs) Customer Service Representatives (27.6% or 55,600 jobs) Social and Human Service Assistants (27.1% or 7,900 jobs)	Moderate-term on-the-job training (one to 12 months)	Customer Service Representatives (55,600 jobs) Executive Secretaries and Administrative Assistants (38,400 jobs) Bookkeeping, Accounting, and Auditing Clerks (35,000 jobs) Construction Laborers (28,500 jobs) Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (27,300 jobs)
Interpreters and Translators (29.6% or 2,100 jobs) Cooks, Restaurant (24.3% or 23,100 jobs) Audio and Video Equipment Technicians (23.2% or 1,900 jobs) Industrial Machinery Mechanics (21.1% or 3,000 jobs) Water and Liquid Waste Treatment Plant and System Operators (19.3% or 1,600 jobs)	Long-term on-the-job-training (12 months or more)	Carpenters (25,700 jobs) Cooks, Restaurant (23,100 jobs) Maintenance and Repair Workers, General (16,300 jobs) Police and Sheriff's Patrol Officers (10,900 jobs) Actors (8,900 jobs)
Detectives and Criminal Investigators (26.5% or 3,000 jobs) Construction and Building Inspectors (20.8% or 2,600 jobs) Self-Enrichment Education Teachers (20.3% or 6,100 jobs) First-Line Supervisors/Managers of Food Preparation and Serving Workers (18.8% or 16,300 jobs) First-Line Supervisors/Managers of Helpers, Laborers, and Material Movers, Hand (18.1% or 4,100 jobs)	Work experience in a related occupation	First-Line Supervisors/Managers of Retail Sales Workers (21,700 jobs) First-Line Supervisors/Managers of Food Preparation and Serving Workers (16,300 jobs) First-Line Supervisors/Managers of Office and Administrative Support Workers (12,900 jobs) First-Line Supervisors/Managers of Construction Trades and Extraction Workers (10,300 jobs) Food Service Managers (6,400 jobs)
Vocational Education Teachers, Postsecondary (30.5% or 3,600 jobs) Manicurists and Pedicurists (27.2% or 4,100 jobs) Surgical Technologists (26.8% or 2,200 jobs) Massage Therapists (25.6% or 5,100 jobs) Hairdressers, Hairstylists, and Cosmetologists (23.1% or 10,400 jobs)	Postsecondary vocational training	Automotive Service Technicians and Mechanics (11,200 jobs) Preschool Teachers, Except Special Education (10,800 jobs) Hairdressers, Hairstylists, and Cosmetologists (10,400 jobs) Medical Secretaries (10,400 jobs) Licensed Practical and Licensed Vocational Nurses (10,100 jobs)
Veterinary Technologists and Technicians (40.2% or 3,300 jobs) Dental Hygienists (35.7% or 8,000 jobs) Biological Technicians (29.8% or 3,100 jobs) Paralegals and Legal Assistants (26.3% or 6,500 jobs) Registered Nurses (25.0% or 59,600 jobs)	Associate degree	Registered Nurses (59,600 jobs) Computer Support Specialists (10,500 jobs) Dental Hygienists (8,000 jobs) Paralegals and Legal Assistants (6,500 jobs) Insurance Sales Agents (5,600 jobs)
Network Systems and Data Communications Analysts (58.8% or 17,000 jobs) Computer Software Engineers, Applications (47.1% or 41,000 jobs) Graduate Teaching Assistants (32.8% or 6,300 jobs) Special Education Teachers, Preschool, Kindergarten, and Elementary School (32.3% or 6,400 jobs) Multi-Media Artists and Animators (31.9% or 8,900 jobs)	Bachelor's degree	Elementary School Teachers, Except Special Education (51,300 jobs) Computer Software Engineers, Applications (41,100 jobs) Accountants and Auditors (33,200 jobs) Secondary School Teachers, Except Special and Vocational Education (21,500 jobs) Network Systems and Data Communications Analysts (17,000 jobs)
Natural Sciences Managers (27.8% or 2,000 jobs) Education Administrators, Postsecondary (22.8% or 3,300 jobs) Education Administrators, Elementary and Secondary School (20.5% or 4,300 jobs) Computer and Information Systems Managers (19.2% or 7,000 jobs) Management Analysts (18.9% or 16,800 jobs)	Bachelor's degree or higher plus work experience	Management Analysts (16,800 jobs) General and Operations Managers (10,500 jobs) Financial Managers (9,200 jobs) Sales Managers (7,800 jobs) Computer and Information Systems Managers (7,000 jobs)
Substance Abuse and Behavioral Disorder Counselors (35.4% or 3,400 jobs) Health Specialties Teachers, Postsecondary (31.8% or 2,700 jobs) Art, Drama, and Music Teachers, Postsecondary (29.7% or 2,200 jobs) Physical Therapists (29.7% or 4,400 jobs) Instructional Coordinators (29.0% or 4,200 jobs)	Master's degree	Market Research Analysts (6,300 jobs) Educational, Vocational, and School Counselors (5,700 jobs) Physical Therapists (4,400 jobs) Instructional Coordinators (4,200 jobs) Substance Abuse and Behavioral Disorder Counselors (3,400 jobs)
Medical Scientists, Except Epidemiologists (26.6% or 4,600 jobs) Computer and Information Scientists, Research (24.5% or 1,300 jobs) Clinical, Counseling, and School Psychologists (20.1% or 4,200 jobs)	Doctoral degree	Medical Scientists, Except Epidemiologists (4,600 jobs) Clinical, Counseling, and School Psychologists (4,200 jobs) Computer and Information Scientists, Research (1,300 jobs)
Veterinarians (34.0% or 1,700 jobs) Pharmacists (26.1% or 6,200 jobs) Psychiatrists (16.4% or 1,000 jobs) Lawyers (15.2% or 12,900 jobs) Dentists, General (13.7% or 2,100 jobs)	First professional degree	Lawyers (12,900 jobs) Pharmacists (6,200 jobs) Dentists, General (2,100 jobs) Veterinarians (1,700 jobs) Family and General Practitioners (1,400 jobs)

* Excludes "All Other" categories and occupations with employment less than 5,000 in 2006.

Source: State of California, Employment Development Department

N. STATE OF CALIFORNIA RENEGOTIATION OF PERFORMANCE GOALS FOR PROGRAM YEAR 2008-09 AND CONTINUATION OF THESE GOALS IN PY 2009-10

California is requesting renegotiation of the State's Workforce Investment Act (WIA) Common Measures goals for Program Year 2008-09. Also, we request that these revised levels remain unchanged for Program Year 2009-10. This request is based on the unprecedented downturn in the economy and California's implementation of a new service delivery design by a number of our Local Workforce Investment Boards (Local Boards).

California has led the recession that is currently griping the country and the world. During the performance period for Program Year 2008-09, California's unemployment rate rose from a low of 5.2 percent in April 2007 to 7.8 percent by September of 2008. This climb has continued to 10.5 percent for February 2009. Economists indicate that unemployment rate may continue to climb.

In the midst of this significant increase in demand for our services, California has continued on the path of system transformation. Our goal is to assure that all customers entering our One-Stop Career Centers have the opportunity to improve their skills and receive the full range of Career Center services. In PY 2008-09 we implemented this Integrated Service Delivery model in 12 Local Learning Labs and expect that at least three additional Local Boards will put this model into practice in PY 2009-10. This new model engages all One-Stop customers in career coaching with access to core and intensive services. A subset of customers with the greatest skill development needs move on to training services. This results in a large increase in WIA enrollments with many customers receiving a "light-touch" and exiting our program in a short period of time. Ignoring the added complication of the declining economy, experience indicates that this new service design lowers entered employment levels significantly, but for those obtaining employment, retention and wage levels remain stable.

Given the combination of these economic and systemic changes, California is requesting the following performance levels for PY 2008-09 and PY 2009-10. Although some of these levels are below our performance reported for December 31, 2008, the increase in the level of unemployment is expected to have a significant affect on outcomes for the balance of the program year and into the next program year.

Proposed Performance Goals PY 2008-09 and PY 2009-10

PERFORMANCE MEASURE	CURRENTLY NEGOTIATED GOAL	PROPOSED PERFORMANCE LEVEL
<u>ADULT</u>		
Entered Employment	78%	65%
Employment Retention	83%	81%
Average Earnings	\$12,500	\$12,500
<u>DISLOCATED WORKER</u>		
Entered Employment	86%	81%
Employment Retention	88%	83%
Average Earnings	\$15,900	\$14,900

<u>YOUTH</u>		
Placement in Employment or Education	67%	63%
Attainment of a Degree or Certificate	47%	47%
Literacy and Numeracy	30%	30%